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Foreign Commerce Weekly

Foreign Commerce Weekly is the official medium of the Department of Commerce for the dissemination of commercial and industrial information gathered throughout the world by the Foreign Service of the United States, and obtained from other sources.

Issued by the UNITED STATES DEPARTMENT OF COMMERCE, JESSE H. JONES, *Secretary*

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COMMERCE in a Changing WORLD

By the Honorable WAYNE CHATFIELD TAYLOR, *Under Secretary of Commerce*

[This article reproduces, in part, Mr. Taylor's recent address before the Christ Church Forum in New York City.]

THE WORLD has never stood still; when it has appeared to do so, this was merely because the surge of the last forward movement had abated and that of the new one was gathering strength. Many writers and speakers have been discussing ably many phases of the future world. They have pointed out that peace, tolerance, mutual understanding and confidence can be established between individuals, races, and nations. They have combined a serious approach with *hope*—with a basic belief that we can do better than we have in the past. We can believe no less, if we face squarely the problems of the future. If we question this belief, our approach must be so cautious as to be doomed to failure.

The fact that mankind has failed so many times before in its efforts to work out a better system must, of course, impress us, but it need not discourage us. The history of human progress is the story of many unsuccessful experiments. No one can tell when, or how, a successful combination of elements will be obtained. The all-important thing is to keep trying. After all, from Icarus to the Wright Brothers was quite an extended period. But from the Wright Brothers to more than a million trained pilots is *only 40 years*. Here is certainly an example of persistent effort, an example of the bonds which are broken when vision and experiment finally are rewarded.

In the Forefront

It may well be that in the development and use of *aviation* we shall find the answers to the questions which have troubled mankind for so many centuries. Certainly the future of aviation must be in the forefront of any discussion of commerce in a changing world, because many of the changes themselves will result from the maner in which the development of aviation is handled.

The wartime uses of aviation are daily demonstrated; from the reports which all of you have read, you can readily visualize the effectiveness of aviation in maintaining order, once peace has been established. However, it is to the peaceful *commercial* possibilities of aviation in the world of the future to which I wish first to direct your attention.

In the near future, many, many men and women will fly. However, there is no particular reason why everyone should fly everywhere. Nevertheless, the lives of everyone, especially in the still remote places of the earth, will be materially affected by the development of aviation. Many cargoes will be air-borne, but certainly not *all* cargoes will be airborne. Air transport will supplement other forms of transportation. History shows clearly that as new forms of transportation have been developed, older methods have found new uses. There is no reason to think that this pattern will be altered.

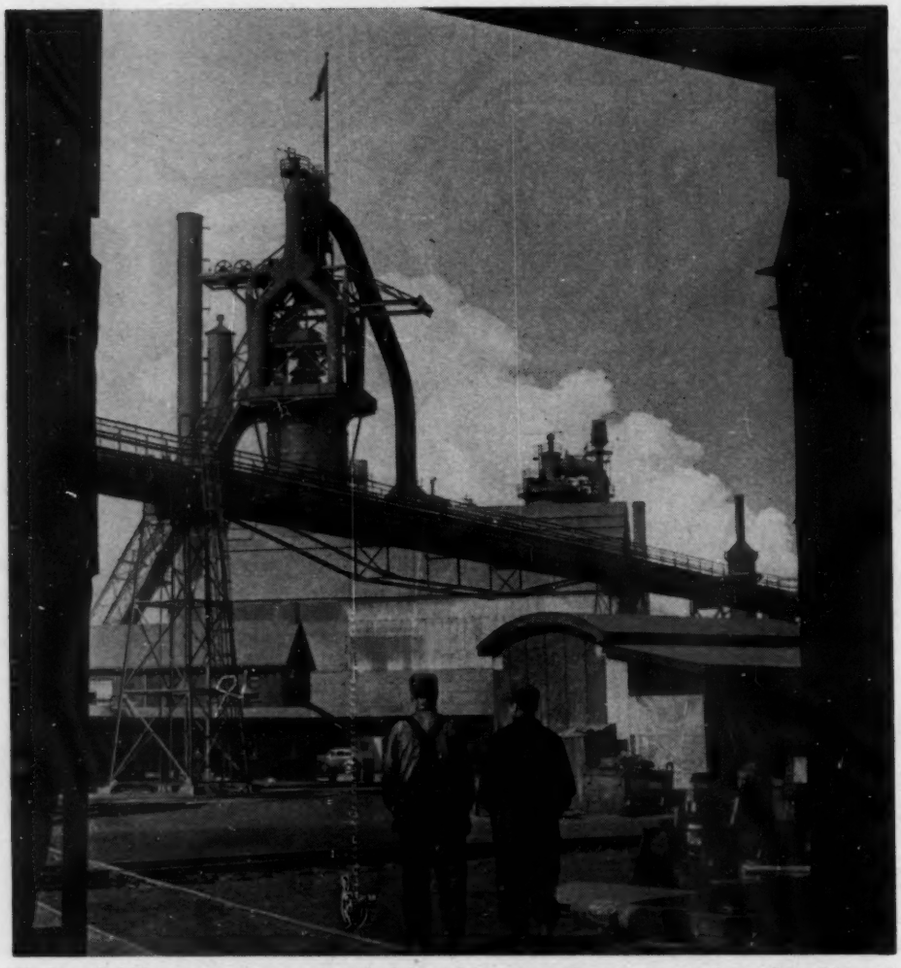
Man's New Range

There will be one very marked difference—in exploration and in pioneering the development of remote areas, air transportation will precede other types of transportation rather than follow them. Man's new range will be determined largely by the amount of fuel he can carry with him in a plane instead of by the amount of elaborate equipment and preparation now necessary for many comparatively short expeditions of exploration.

Obviously, if the picture which I have roughly sketched is accurate, decentralization of certain industries and the industrialization of many now-remote areas is sure to follow. Inland cities will become great international ports of entry for passengers and valuable specialized cargoes.

Many Americans have read Wendell Willkie's "One World." One wonders how many of those readers noticed that the main theme in this book was the effect of aviation on our civilization. There

"Men have been able to develop amazing new mechanisms."



"Tools and skills are moving to raw materials and to men and women eager to work and learn."

is another recent book of great significance, written by one of the foremost statesmen of our times, "Free Men of the Americas," by Dr. Ezequiel Padilla. In this remarkable book the Minister of Foreign Affairs of Mexico also emphasizes the effect of aviation on our world of the future. Similar statements are being made, almost daily, by the leaders of all nations. All these forward-looking men emphasize both the possibilities of aviation in maintaining peace and in developing higher standards of living in every region.

Agreement Is Imperative

These men likewise agree that aviation is such a powerful weapon, as well as such a powerful tool for development that its use must be governed by broad international agreements. In fact, they indicate that, without effective agreement on aviation, all other agreements might soon lose their effectiveness.

One cannot at this time indicate what matters will be covered by such international agreements. Until our representatives sit down to discuss these matters with the representatives of like-minded nations, it would be idle to anticipate their decisions. Nevertheless, one can say that if we, and other nations, sincerely wish agreement, agreement we shall have. That is a simple rule, which can be applied to all human relationships. Agreement is only possible when people truly *wish* to agree, and is lasting only as long as people believe that the agreement is operating fairly and flexibly enough to meet new conditions.

Use It Wisely—Widely

One may add that it would be difficult to find anyone, who has given these matters serious attention, who believes that aviation could, or should, be the monopoly of any one nation. The airplane rises above such restrictive concepts, just as it flies over the Andes or the Pacific Ocean. Too many men and women know how to build airplanes, too many men and women know how to operate them, to permit the serious entertaining of any such thoughts.

The airplane is assuredly one of the primary tools of the future; it must be used wisely, but it also must be used *widely*.

To Speed Up Reconstruction

When peace comes, the United Nations will possess a vast fleet of transport planes, which can be immediately adapted to the urgent tasks of relief and reconstruction. The use of this fleet is imperative. Failure to use it could only represent a combination of stupidity and criminal negligence. The existence of this fleet will speed up reconstruction and development immeasurably. Missing parts will be flown to waiting factories, doctors and medicines will be flown to stricken areas, cargoes of mercy will replace cargoes of destruction. The effectiveness of technicians will be multiplied many times. A new or old method of curing disease, or of controlling epidemics, will be flown, in the person of a skilled technician, from continent to continent.

Industrial techniques will make similar rapid journeys. Competent engineers dropping in from the skies will adapt a proven process to local conditions, start all the necessary procedures, and come back from time to time to discuss new developments.

The use of air transportation in relief and reconstruction serves to emphasize the fundamentals of these problems themselves. It would be foolish indeed to recreate everything just as it had been before the bombers came, before the tanks and big guns turned centuries-old structures into piles of rubble. When the world reconstructs, it must really *build anew*. The new structures will not be the same but they will serve future generations far better than their predecessors would have done. Modern tools will permit speedy construction, modern materials, modern devices—and modern skills will provide safeguards to health, undreamed of by the architects of the past.

War's Rude Reversals

It is scarcely necessary to say that many of the most highly developed areas of Europe have already become backward regions, or that their inhabitants have likewise in effect become backward people. Already war has destroyed much of Europe's tool equipment, and, as Europe's remaining tools disappear, the drop in its level of existence will become more acute. (The term "level of existence" is purposely used here, because it is far more expressive of the actual state of affairs than the customary definition.) When this rapidly declining level finally reaches the Axis armies, victory by the United Nations will be almost instantaneous. Modern armies cannot fight without modern weapons, and modern weapons require modern tools and modern transportation.

Sicily Not Typical

What our troops encountered in Sicily represents a very diluted sample of what they will meet on the continent of Europe itself. Sicily was a strong outpost, but Sicily was not highly industrialized; it was never one of Europe's workshops. While it relied on Italy and the rest of the world for the finished products which its population did not produce, Sicily itself had few modern industrial or agricultural tools. In fact Sicily had remained a comparatively primitive region, a breeding ground for excess population,

(Continued on p. 32)

Merchant Shipping of the U. S. in Wartime

Broad Presentation of Unembellished Facts About History's Greatest Feat in the Creation of Vast Efficient Facilities for Oversea Transportation

By Office of War Information[1]

EDITOR'S NOTE

In this report all tonnage is expressed as deadweight unless otherwise stated.

Deadweight tonnage is the carrying capacity of cargo, fuel, and stores of a ship expressed in tons of 2,240 pounds, representing the difference between displacement loaded and displacement light.

Gross tonnage is the entire internal cubic capacity of the ship expressed in tons of 100 cubic feet to the ton.

All conversions from gross to deadweight tonnage in this report are obtained by multiplying the former by 1.5 (for freight vessels).

NOTE: German propaganda reports dealing with Allied tonnage claimed as sunk would be misleading because (if for no *other* reason) they usually fail to specify *which measure* is being used.

AMERICAN SHIPYARDS have delivered nearly 18,000,000 dead-weight tons of shipping since Pearl Harbor, and by next January we shall have built in 2 years the equivalent of more than a third of all the blue-water merchant-marine tonnage in the world before the war began, the Office of War Information said today in a report based on data supplied by the War Shipping Administration and the U. S. Maritime Commission.

This great new American fleet is dedicated to a more than purely national task. We are builders of ships to a fighting alliance of 31 nations. When their joint need for war shipping is taken as measure, the most we can do must be reckoned too little.

On the credit side of the ledger are:

The 54,000,000 tons of shipping with which the United Nations, as now associated, began the war, minus sinkings during the past 4 years.

The 18,000,000 tons delivered from American ways since Pearl Harbor, and the prospect of another 9,000,000 tons before January 1944.

The fact that we are now delivering ships several times faster than the enemy is sinking them.

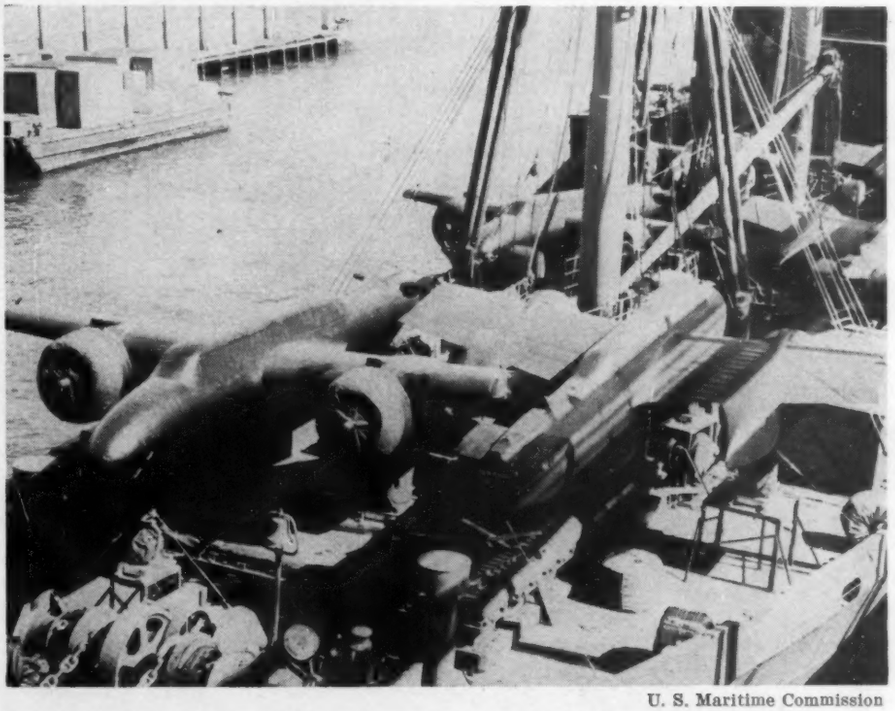
On the debit side of the ledger:

We are the only member of the United Nations not in the red. Our Allies have not been able to offset their merchant-ship losses by sufficient new construction. The amount of shipping being built by us is not enough both to handle military needs (which come first) and to satisfy all civilian export-import requirements.

Actual construction for 1943 may fall below the 19,000,000-ton schedule because of steel shortages, lack of propulsion equipment for vessels, manpower shortage, and unforeseen circumstances.

Convoy and other war delays make it necessary to use 10 ships now where 7 ships would do the job under peace conditions.

There are not enough shipyard workers. We could have used 73,000 more shipyard workers than were available in the first 3 months of 1943.



U. S. Maritime Commission

Battle-bound planes, being loaded on one of the vessels of our Victory Fleet. With their holds packed with other war cargoes, the ships carry bombers and fighter planes on their decks in ever-increasing numbers.

[1] Agencies consulted in the compilation of this report were the War Shipping Administration and the U. S. Maritime Commission, "Allied War Control" by Sir Arthur Salter (London, 1921) is the source of figures on shipping in the last war.

Ahead of us lies an unpredictable demand for shipping to service the second front, and beyond that lies the conquest of Japan, where three times the distance requires three times the shipping and ship personnel.

Sharp Change for Better

Yet on the whole a decided change for the better has occurred in the United Nations' shipping position. We have ended the period of passive protection of convoys and have taken the offensive by sea and air against the U-boat itself, and by bomber against its German breeding places. U-boats have been driven into cautious and limited operations.

April 1943 marks a line where the accumulated effects of our antisubmarine weapons began to show marked results. The first 3 months of the year were still bad ones for our shipping. But the April sinkings, by German admission, were less than half those of March. May was better than April, and June was still better. Continuance of this trend is indicated by the fact that these successes against the U-boats were achieved without the services of many new destroyer-escorts only recently brought into use.

Present gains in building and protecting our ships do not necessarily mean that the United Nations can transport enough men and equipment to destroy the power of Germany and Japan. That depends on what shipping the United Nations originally had, and on what net destruction the enemy has caused during nearly 4 years of war.

In the first 2 years, before we joined them, our Allies lost a large part of the 43,000,000 tons they jointly mustered in September 1939. England, which had 22,000,000 tons at the start, lost about 7,500,000 tons in the first 22 months. This is over three times the 2,300,000-ton loss which England suffered during the first 2 years of the last war.

None of our present Allies has been able to replace all its ship losses. England and Canada are the only ones to deliver any substantial tonnages. Norway, the Netherlands, France, Greece, and Russia, in September 1939, had a combined merchant-marine fleet of 15,600,000 tons. Their deep losses have not been offset by new construction. We (as already mentioned) are the only one of the United Nations not in the red.

In December 1941, the United States brought to our Allies a dry cargo and tanker fleet of 12,250,000 deadweight tons, minus what losses we had suffered while neutral. In our first year at war we contributed some 8,000,000 tons in new ships.

But taking new construction of the United Nations as a whole, there was a net loss for the year 1942 of about 1,000,000 tons.

It was not until late 1942 that United Nations' deliveries began to exceed sinkings.

Secrecy on shipping losses is a United Nations' rule, although spokesmen from time to time have sketched the relative position in broad strokes. The tonnage with which the United Nations began the war is a public fact, and known to Germany. The Nazis have their U-boat and Luftwaffe intelligence on our losses, and they know in the rough what our combined deliveries have been. What they do not know is the exact size of our shipping margin.

A Backward Glance

A backward look may provide perspective on our shipping losses.

The U-boat began the last war as a thin-skinned timid craft whose possibilities the Germans themselves did not realize. Only 3 British vessels fell to submarines in 1914, compared with 42 sunk by mines and 55 by raiders. For the next 2 years the U-boat was forced to skulk in the shallow waters of the English Channel or close to Mediterranean shores, and it destroyed more with deck guns than with torpedoes. It began to take a great toll mainly because British merchant ships went unarmed. There were few English guns to spare—one ship frightened away a submarine by firing a rocket. During 1916, 1 ship in 10 which passed the Straits of Gibraltar never returned. The British did not adopt defensive measures until 1917, and by that time the U-boat was big, able to stay at sea for weeks and to carry many torpedoes. Berlin decided to sink without warning. In April 1917, England lost 789,670 deadweight tons of shipping. Next month the British for the first time adopted the convoy system; in May their losses fell off 40 percent and never again approached that April peak.

England had in 1913 more than 23,700,000 deadweight tons of shipping to less than 1,000,000 for the United States. Our entire launchings during 4 years of that war were about what American yards are now turning out in 4 months. The total number of American merchant ships never met the number required to carry American troops and supplies.

From 1914 to 1918 the United States lost less than 500,000 tons of shipping, which is somewhat less than 2 weeks' present production of Liberty ships.

England lost 11,493,000 deadweight tons, more than 20 times our losses.

1913 and 1939

In millions of deadweight tons, the comparative shipping situations prior to the start of the last war and this one were as follows (for ships of oceangoing size):

1913	
World	45.4
Allies (England, France, Italy, U. S., and others)	32.4
Neutral	5.9
Enemy	7.1
September 1939	
World	71.8
United Nations (as now associated)	54.0
Neutral	2.8
Enemy	15.0

Neutral shipping, when it is free to relieve our own fleet of necessary chores, is almost as valuable as our own. The Allies and Neutrals began the last war with 38,300,000 tons; the United Nations and Neutrals began this war with 54,000,000. This reckons in the shipping of all the Free Nations, and it includes France and Denmark, although much of their shipping never came into our hands. The submarine did not become a vital menace until the third year of the last war. In its first 22 months, Allied and Neutral losses were 3,800,000 deadweight tons from torpedoes plus mines and raiders.

Nazis' Sea Assault

In the present war, the U-boat began its full assault at once, with the sinking of the *Athenia* the first week. In the first 22 months of this war Britain alone lost about 7,500,000 deadweight tons, a *monthly* destruction of about 1½ percent

U. S. Maritime Commission

View of main deck 84 hours after keel laying.

of its original shipping. For all shipping in the world, except the enemy's it was a *monthly* rate higher than the Allied and Neutral rate in 1914–16.

While soldiers were idling at the Maginot line, the Nazi submarines were trying to starve England, as they nearly had in the spring of 1917. England, from Dunkirk through the Battle of Britain, could use only its left hand against the U-boats. Moreover, Germany did not wait 2 years before going all-out against neutral shipping.

The sea assault of the first 2 years failed in its primary purpose to cut off England's supply lines, but the sinkings, if at a reduced rate, continued. In 1942 the United Nations lost 12,000,000 deadweight tons of shipping.

During the last war, replacements for losses were effectively made by the Allies, particularly in the first and last years. Their original 38,300,000 tons was reduced by losses of 18,800,000 tons in 4 years, and yet in October 1918 there were 42,500,000 tons of Allied and Neutral shipping in operation or under repair.

Replacements in this war did not begin on a large scale until the United States shipbuilding program put 8,000,000 tons into service in 1942.

Does the added Allied tonnage from British and Canadian launchings, from Fighting France, and from the occasional salvage of sunken enemy ships, plus increased destruction of U-boats, provide that extra margin which the United Nations must have to win this war? The precise answer is a military secret. Yet it has been stated in general terms.

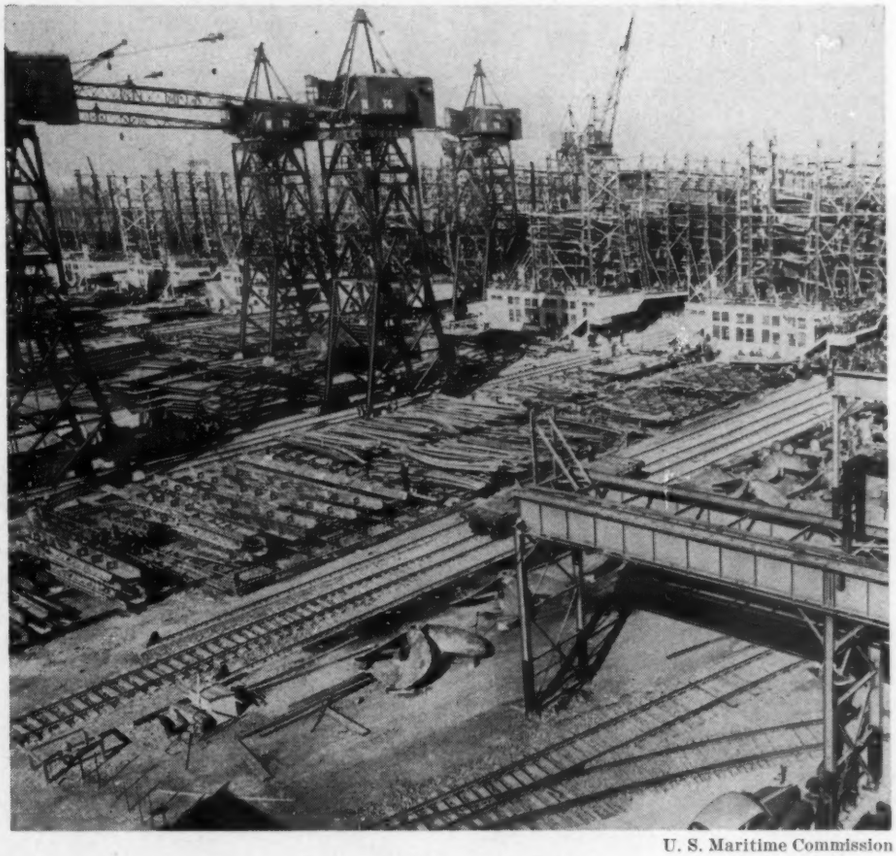
In May 1943, Prime Minister Winston Churchill told the American Congress, "While I rate the U-boat danger as still the greatest we have to face, I have a good and sober confidence that it will not only be met and contained but overcome. The increase of shipping tonnage over sinking provides—after the movement of vital supplies of food and munitions have been arranged—that margin which is the main measure of our joint war effort."

U-Boat vs. Airplane

In 1914 the submarine and the military airplane were relatively crude devices. The submarine was underpowered and cranky; the 1914 airplane was a cloth-and-wood contraption which uneconomically exposed struts and wires to the airstream. The submarine sailor of 1914 lacked the "Davis lung" to save him from a stricken ship; the 1914 pilot flew without a parachute.

The two potential enemies did each other little damage during the last war. Allied fliers claimed many U-boat kills, yet post-war evidence supported few of them. Only recently have U-boats suffered serious losses from aircraft.

The double hull of a modern U-boat deflects some machine-gun bullets, and those which pierce the target do not damage the inner shell. Direct bomb hits are difficult from the air. A submarine trimmed down for patrol can crash dive in less than a minute. British U-boat hunters complain that the Admiralty insists on a piece of the captain's ear as evidence of a U-boat sinking.



U. S. Maritime Commission

Wilderness of future ships.

Airplanes can and do sink U-boats, but that is a lesser role than spotting submarines and directing destroyers and destroyer-escorts to the kill. So long as we lacked sufficient aircraft carriers and land aircraft bases, U-boat packs could hit and run. That has been largely stopped by an enlarged United Nations air patrol.

This is not to underrate the part of the destroyer, the destroyer-escort, and the corvette. Their increase in numbers, plus the help of the new air arm, has been responsible for the decreased rate of sinkings during the past few months. Of course, the more ships we launch, the greater number of escorts we shall need for them.

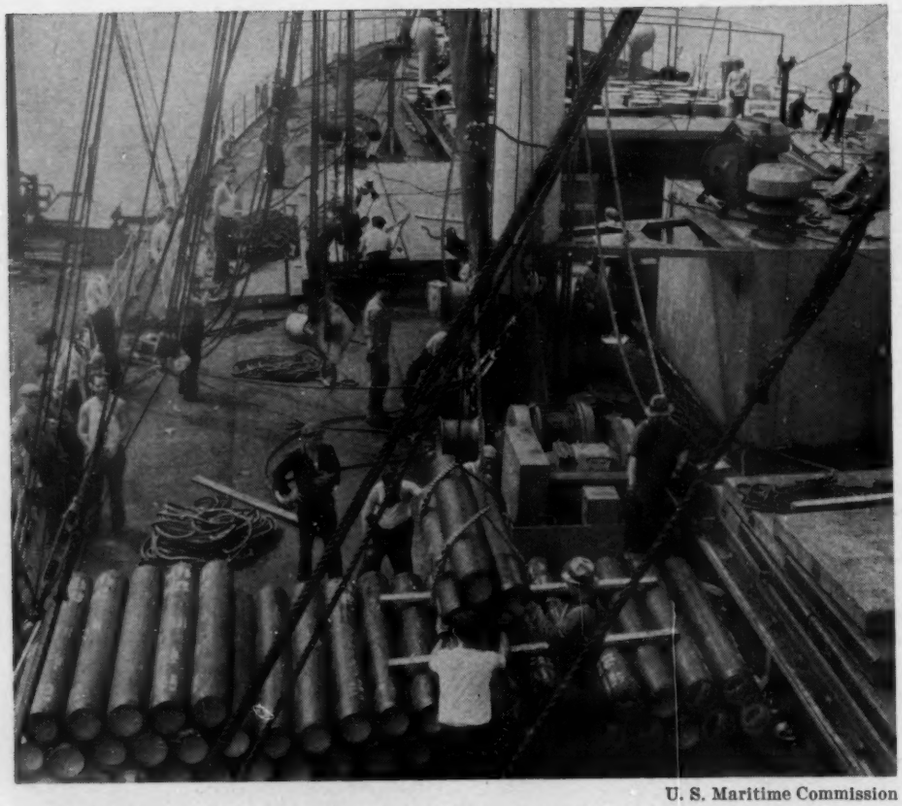
The Logistics of Shipping

In transporting men and material to the fronts our enemies have every advantage. Germany and Japan operate on short inner lines. We must traverse 35,000 miles of sea lanes and return the same distances. Although the capture of North Africa was worth hundreds of ships, there is still no intercontinental highway which does not, at some point, narrow to a lane where the submarines can lie in wait.

During the last war our fire power was directed at a single objective, the Western Front. Today it is dispersed over five continents, and every factor of weight and distance and hazard has expanded to scale. In 1917–18 our Allies provided us with combat planes and much sustenance. Today we must equip ourselves and, in part, our friends. The doughboy of 1917 landed with his bedding roll and a rifle. The bales of hay for Pershing's horses weighed less than fuel for Eisenhower's tanks. Today our Army lands from 5 to 12 tons of equipment per man, and more than 1 ton each month to maintain him.

To transport overseas the approximately 3,700 vehicles and the equipment of one armored division takes 15 Liberty ships, in addition to troop ships. An armored division in action and on the move uses 650 tons of gasoline, 600 tons of ammunition, and 35 tons of food a day. A Liberty ship would have to arrive every 8 days to maintain it in battle.

Consider the maintenance problem in terms of minimum requirements. There are at least 1,500,000 men in our armed forces overseas, each needing at least 1 ton of supplies every month. Ships seldom are loaded to 100 percent capacity, so that in this service of supply about 2,000,000 tons of shipping must arrive safely in foreign ports each month. But voyages in convoy are half again as long as trips made by single ships in time of peace. A round trip in convoy to England requires 2½ months, to India 7 months. A general average for turnarounds on war service is 4 months. Therefore the maintenance of our armed forces overseas employs 8,000,000 tons of shipping.



U. S. Maritime Commission

It looks complex, but is actually smoothly efficient—this activity on deck as one of the new American ships is being loaded.

At the height of our maritime strength during the last war, in October 1918, our every use of shipping—for oversea maintenance, domestic imports, and aid to Allies—employed less tonnage than in this war is needed for maintenance alone. And today this 8,000,000 tons does not take into account the unpredictable amount of supplies we must deliver when we begin to throw everything we have at the Germans on European soil.

In times of peace the United States imported approximately 25,000,000 dry-cargo tons of what we then considered essentials to our way of life. Today such imports amount to 17,000,000 tons.

In 1942 there were 17 distant places to which our own and United Nations' fleets carried 1,000,000 tons or more during 1942. The North Atlantic, the United Kingdom, the Soviet Union, the Caribbean ports, both coasts of Central and South America, the North Pacific, the Hawaiian Islands, West, North, South, and East Africa, the Red Sea, the Persian Gulf, India, and Australia—each of these areas became in 1942 a major importer from the United States, and that year was merely prelude.

The inefficiencies of wartime maritime operation—such as longer turn-arounds in convoy and a larger percentage of ships laid up for repair—mean that 10 ships must be in war service to the 7 required in peacetime. To obtain greater operating efficiency is obviously as important as launching new ships. We are month to month gaining more efficiency as our loading, convoy, and disembarking techniques improve.

England has pledged itself to support our assault on Japan as soon as the Germans are licked. When that time comes the necessity to make great shipments to the Far East will introduce another multiple into the maritime equation.

Claimants for Shipping

The estimate that 8,000,000 tons of shipping must be continuously employed to service our forces overseas takes into account only the tonnage allotted to military use. It is the largest share.

The percentage allotments of the War Shipping Administration tonnage in a typical month were these: Army, 36.2 percent; Navy, 11.1 percent; Lend-Lease, 37 percent; all other, 15.7 percent.

The Army's 36.2 percent slice of WSA shipping is in addition to the operations of the Army's own fleet and to the large transport service supplied by the British. Lend-Lease cargoes fill 3 out of every 10 outbound ships.

The residual use of WSA shipping is the 16 percent left to serve domestic supply, i. e. to take essential exports to Latin America and to island bases and to carry coal to New England. About a third of this tonnage is claimed for military production. Millions of tons of bauxite, copper, metallurgical chrome, manganese, and zinc concentrates have prior claim on incoming ships over the creature comforts of the American public. The latter receive passing notice in the scheduled importation during the year 1943 of 900,000 tons of coffee, 3,400,000 tons of sugar, and a certain tonnage of hides, tea, fats, and oils.

Long-Range Building Program

For the war period, the United States Maritime Commission builds the ships; the War Shipping Administration operates them. Rear Admiral Emory S. Land, Chairman of the Maritime Commission since the resignation of Joseph P. Kennedy in February 1938, became administrator of the War Shipping Administration as well when that agency was established in February 7, 1942. Rear Admiral Howard L. Vickery is Vice Chairman of the Maritime Commission, and is its construction chief. Both officers are Navy-trained shipbuilders.

The Maritime Commission in 1937 set itself to revive America's moribund merchant marine by building a fleet of fast cargo and passenger ships. There were to be 50 of these C-type ships built each year over a period of 10 years. War stepped up the program. In 1942, 58 C-ships were delivered. Their quality remains unimpaired under accelerated building.

There are four ships in the C series, ranging from the 412-foot C–1 of 7,400 tons to the 520-foot C–4 of 13,700 tons. The 25,000-ton passenger ship *America*, now the Army's *West Point*, is the only one of its class. Nearly all have oil-fired boilers driving high-speed steam turbines. A few are Diesel-driven. Their lines are smart, with tall cargo booms fore and aft of the main superstructure. Conversion to military use is inherent in C-type design. The Army and the Navy are using many of them for troop ships, fast service of supply, and a large number have been converted to other war uses.

High-speed tankers were also part of the original long-range program. In the face of an oil-industry habit of using slow 9- to 12-knot tankers, the Maritime Commission in 1937 started building 12 fast tankers. All have provided invaluable service in the war, particularly for the Navy, as their speed is greater than "Fleet Speed."

From January through July 1943, a total of 80 tankers aggregating 1,325,500 deadweight tons were delivered, compared to 62 tankers totaling 998,200 deadweight tons produced in 1942.

Principal designs under the wartime standardization program are for the T2- and T3-type tankers. These vessels are of 16,600 deadweight tons, with a capacity of 135,000 barrels. Future schedules call for a still further increase in the production of T2-type tankers. While 80 of the craft had been delivered through July 1943, delivery schedules call for a total of 424 more of this type by the end of 1944.

The oil-tanker production program is being rounded out by the conversion of 102 Liberty ships into oil carriers. These vessels, after reinforcement of bulkheads, installation of extra ventilation systems, addition of piping and pumping equipment, and other alterations, serve as tankers with a capacity of 65,000 to 70,000 barrels each.

Production schedules call for the delivery of 511 additional tankers of all types during the remaining months of 1943 and during 1944. By the end of 1944, a total of 661 tankers will have been delivered since Pearl Harbor.

Emergency Building Program

The Liberty ship is the mainstay of the Maritime Commission dry-cargo fleet. About one-quarter of all United Nations tonnage is in Liberty ships. By the end of this year nearly every third ship will be that standardized 10,500-ton, 442-foot conventional freighter capable of mass production, with an average speed of 11 knots. The majority of the world's dry-cargo vessels are slower than 10 knots an hour.

The Liberty lacks the refinements of the C-type vessels. Her living quarters, equipment, and hull are standardized insofar as possible. Hundreds of small and large plants, many of them a thousand miles from the seaboard, comprise a nation-wide industry to keep a flow of supplies moving toward the 15 yards which construct Liberty ships. If production lags at one manufacturing plant, the needed parts can at once be scheduled from another.

It required time to convert manufacturers of land products into ship suppliers. But once a showcase manufacturer learned to build ventilators, a toy electric-train maker got the hang of turning out compasses, and a stove manufacturer to build lifeboats, the problem shifted to one of schedules and allocations.

It was former practice to outfit ships piecemeal. In the building of a Liberty the lines of material flow into the preassembly building where thousands of small parts are put together into finished units. Only the final installations need take place on the ship.

Prefabrication of hull parts, although not new to shipbuilding, has taken great strides. Electric welding permits the construction of sections away from the limited space on the ship ways. Cranes are provided with the power to lift large prefabricated sections into position. The welded ship (usually with some riveted parts) is lighter than its predecessor and has a superior ability to withstand bombs.

Before Pearl Harbor, construction contracts were for 6 months' construction time. In early 1942, schedules calling for Liberties in 105 days from keel-laying to delivery were received with skepticism. The first Liberty, the *Patrick Henry*, had required 244 days.

The 105-day objective was reached on the average for all ships launched in July 1942. By January 1943, the 79 Liberties delivered by all yards averaged 52.6 days, from keel laying to delivery with steam up, ready to take on cargo. All yards are not yet up to this schedule.

About 40 of the 52.6 days were spent on the ways; about 12 days in outfitting after launching. Since 60 days on the ways was contemplated in the original 105-day schedule, a 50 percent average increase in shipbuilding capacity has been gained.

These averages include the fast yards and the slow ones, and there is a great disparity between them.

The record of cutting down the building time of a 10,500-ton ship from 244 days to 7 days (the *Robert E. Peary* launched at the Kaiser Richmond yards) was not accidental. Behind it lies the Maritime Commission's experience from 1936 to 1939 and its intensive planning when war seemed imminent. Behind it stand the thousands of suppliers and the railroads which deliver the parts. Some builders—such as the Oregon Shipbuilding Corporation, the California Shipbuilding Corporation, Wilmington, Calif., the North Carolina Shipbuilding Corporation at Wilmington, N. C., and the Bethlehem-Fairfield at Baltimore—have combined the talents of management and the skill of shipworkers to do the improbable.

In the last war the Emergency Fleet Corporation concentrated its construction of freighters (smaller but comparable to Liberties) at the Hog Island yard near Philadelphia. The fastest average building time for ships delivered during any 1 month at Hog Island was 225.8 days, and 8 was the greatest number of ships delivered in a single month from Hog Island's 50 ways.

In contrast, the Oregon Shipyard delivered 17 Liberty ships in June 1943, from only 11 ways, and they average 27.8 days. By June 1943, there were better than 5 ships sliding into American waters every day. This includes Liberties, C-ships, tankers, and other large vessels, the average being more than 10,000 tons each.

The construction of ships scheduled for 1943 on the basis of known way capacity is approximately as follows:

Type	Number of ships	Deadweight tons
C-types	213	2,086,000
Tankers	266	3,996,000
Liberty ships	1,195	12,689,000
Others	331	941,000
Total	2,005	19,712,000

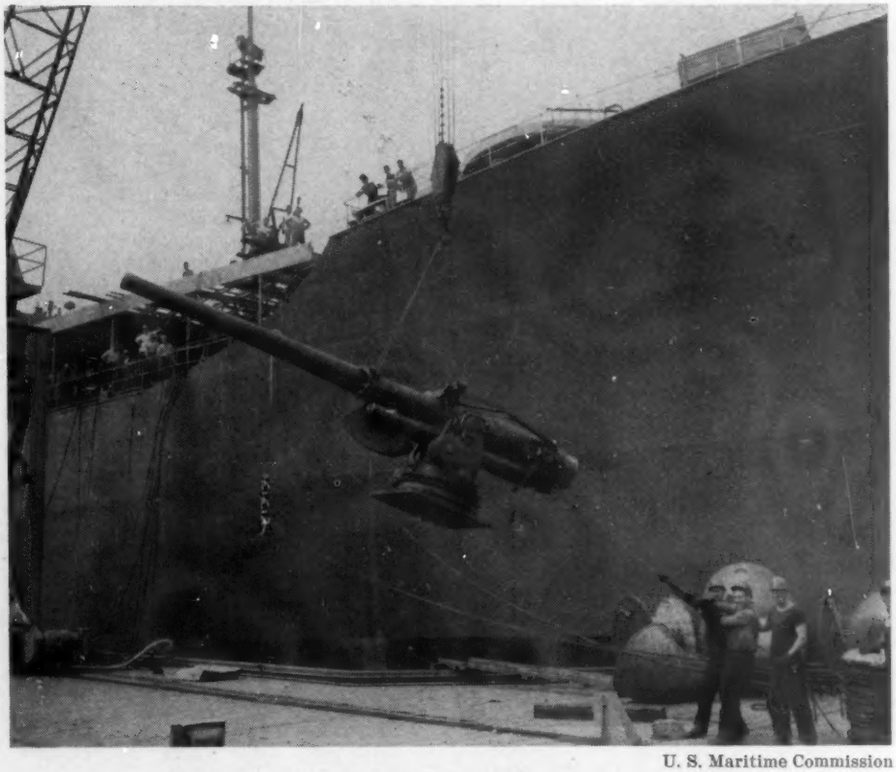
Other Construction

The 331 ships of other types proposed for construction include Great Lake ore carriers, shallow-draft coastal cargo vessels, coastal tankers, tugs, concrete and wooden barges. A considerable tonnage is also being built for the Navy, including frigates and a large number of auxiliary aircraft carriers.

The concrete barge is experimental and subject to controversy among the experts, but has performed well and fills a definite war need. A concrete barge uses two-thirds as much steel as a cargo ship, but of a lower grade and readily available. The barges have been slow in building, and are costly for tonnage delivered. This program has recently been curtailed. The same criticism applies to wooden barges. Both concrete barges and wooden barges are a very small part of the total program.

The Victory Ship

The Maritime Commission foresees a shift-over from the plodding Liberty to a finer and faster ship, still capable of



U. S. Maritime Commission

A Liberty ship is armed against the raiders that infest the seas.

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mass production. The Victory ship will be of broader beam than the Liberty and somewhat longer, with greater carrying capacity and a 50 percent greater speed generated by steam turbines.

It is believed that the Victory's speed will allow her under favorable conditions to run alone, and so make turnarounds in perhaps half the time of ships in convoy.

The Victory will take somewhat longer to build than the Liberty. Plans for a supply of turbines and auxiliary equipment are already laid, with mass production to start in 1944. Rapid production will depend upon securing power plants for these vessels, in the face of competition from other claimants.

Manpower Problems

Serious threats to the shipbuilding program lie in the four manpower factors which prevent the full use of capacity and materials. They are: a rapid turn-over of workers, an actual shortage of manpower, loss of work hours, and inefficient use of labor.

There are more than 675,000 workers in the maritime shipyards. In the first quarter of 1943 there was an average 11.2 percent turn-over each month, of which 2 percent represents men inducted into the armed services. On the west coast, where approximately half of our shipping is built, one-seventh of the working force during every month are newcomers, needing to be trained or broken in to new conditions.

There were approximately 60,000 maritime shipworkers hired during the first 3 months of 1943, and even this number fell 73,000 short of those who could have been used. One answer is to take on more women. The number of women working in maritime shipyards increased from 9.25 percent in April to 11.49 percent in June.

Absences from work from November 1942 through June 1943 ran from 10.3 to 7.0 percent in the larger maritime yards having over 2,500 workers. Current surveys indicate that at least one-third of the absences in maritime shipyards have to do with health and accidents. The shipyards where inexcusable days off are fewest are those where plant and union committees keep close tab on lost days, and where leadermen are made responsible for the attendance of their crews.

Yards are located for the convenience of ships, not men. Dwellings for 100,000 people are in prospect to cure a situation which in some areas today is no better than that officially described in 1917 as "bad housing and shockingly inadequate transportation." However, by spreading the shipyards along three coasts, and facilitating housing and transportation, a marked improvement has been made.

Shipworkers need nourishing food. In many yards lunch is eaten without overhead shelter after a long wait in a canteen line, sometimes interrupted by the whistle to return to work.

That sickness, inefficiency, swamped communities, and hardship must be reckoned as a cost of breaking ship tonnage records appears from the absentee record for the first 9 months of 1918. An Emergency Fleet Corporation study of 320,000 shipworkers showed that 17.8 percent in steel shipyards and 13.2 percent in wooden shipyards stayed away from work every day over that period.

Operating the Ships

The War Shipping Administration controls 95 percent of American merchant marine tonnage through deliveries from the Maritime Commission, purchase, charter, and requisition. The Army and the Navy each has its own cargo and auxiliary fleet. Each independently operates terminal facilities, warehouses and repair yards; each loads and routes its vessels and discharges cargo through its stevedoring battalions in foreign ports.

WSA owns outright about 70 percent of the tonnage under its control. It requisitions or charters the remainder. WSA leaves the actual running of the ships in private hands with the know-how and the trained personnel.

The coordination of United Nations shipping is studied by the Combined Shipping Adjustment Board, consisting in Washington of Admiral Land, with L. W. Douglas as deputy, and Sir Arthur Salter, head of the British Shipping Mission; in London, W. Averell Harriman and Lord Leathers.

Turnaround

The maximum accomplishment with tonnage available depends on turnaround time, which begins with the loading of a ship and ends with her discharge at the home port. In addition to time taken in loading and discharging, the elements of convoying, distance, harborage, and docking enter into turnaround time.

In the first 6 months after Pearl Harbor, goods went to places where there was a surplus, and some luxury trade continued. Today, these faults are almost cured. In the loading of war goods we are perhaps no more than 10 percent less efficient than under peace conditions. One large cause of the 10 percent loss is the military necessity to stow last those things wanted first upon unloading.

Convoys lose time by forcing ready ships to wait for laggards, by running at the slowest ship's pace, by zigzagging and losing position, by cluttering harbors, burdening facilities through arrival all at the same time, and through waiting turn while other ships discharge their cargo. The turnaround time to England is 70 days, against the 25 days in which a fast freighter could make it alone.

Distances are appallingly increased wherever the enemy lies athwart direct routes. The United States has sent cargoes to the Persian Gulf, a 17,500-mile

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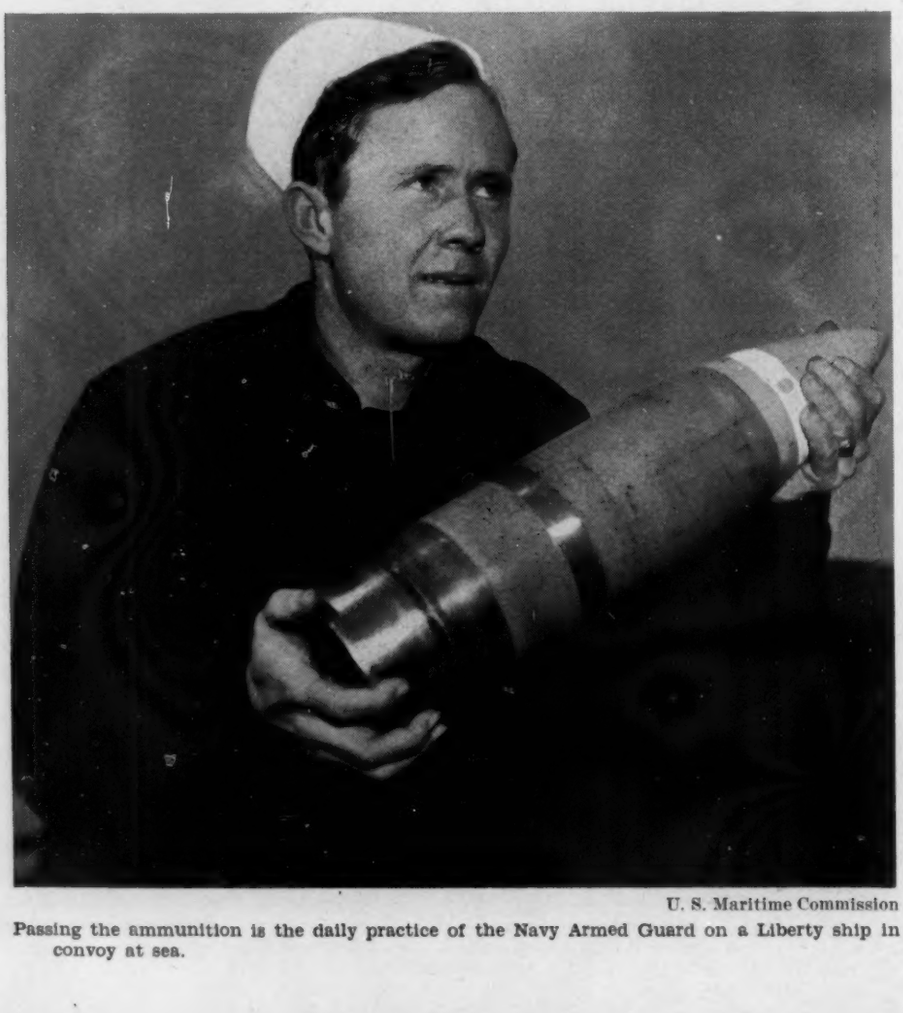


U. S. Maritime Commission

Passing the ammunition is the daily practice of the Navy Armed Guard on a Liberty ship in convoy at sea.

Engineering Aspects of Today's Progress on the Inter-American Highway

By EDWIN W. JAMES, *Chief Inter-American Regional Office, Public Roads Administration*

> *"America is a continent. * * * America occupies, in solitary grandeur, the entire Western Hemisphere. * * * Stately, powerful, unique: such is physical America, discovered by accident, named by mistake." "Columbus discovered America in 1492. Americans waited until 1942."*—So speaks Luís Quintanilla in his recent book, "A Latin American Speaks."

Dr. Quintanilla's statement may be emphasized by adding that it has required the repercussions of two global wars to awaken the people of the United States to the *facts* as they are slowly and somewhat onerously developing. Pearl Harbor changed the face of things as they were. The United States Government suddenly realized that at Panama in the Canal Zone and its surroundings it had not only a huge investment in money but a profoundly vital interest.

Simultaneously, all the Americas realized their geographical unity and solidarity. The western continent—the *American* Continent—was isolated by war. Exports to continental Europe almost vanished; exports even to the northern half of the American Continent dwindled because water transport alone had been developed in the past.

Toward an Overland Route

Steps were at once taken to open a through overland route between the United States and Panama. Funds were made available, surveys of the incomplete sections were started, and plans made to construct a pioneer *road* across all the gaps lacking all-weather surfaces.

These gaps aggregated 1,060 kilometers and occurred in every country south of Guatemala. The surveys required stretched to more than 790 kilometers.

The amount of heavy construction and the unusual number of bridges led at once to an adjustment which would provide the most convenient and practicable rail and highway combination from the United States to Panama. This arrangement contemplated the use of the standard-gage railroads in Mexico to the southern frontier at Tapachula or Suchiate and a pioneer road from either or both of those points to Panama. Such a combination would make through traffic possible with a single transfer from rail to truck.

Pioneer-Road Project

The pioneer-road project was authorized in June 1942 by two directives from military authorities, one providing for immediate surveys and the other for construction of a surfaced road on the location of the proposed Inter-American Highway, over all sections which did not at the time have all-weather surfaces. The pioneer-road surface was to have a minimum width of 10 feet, and a thickness of 8 inches of compacted gravel or crushed stone without artificial binder. A maximum controlling grade was set at 10 percent with a tolerance up to 12 percent for short distances.

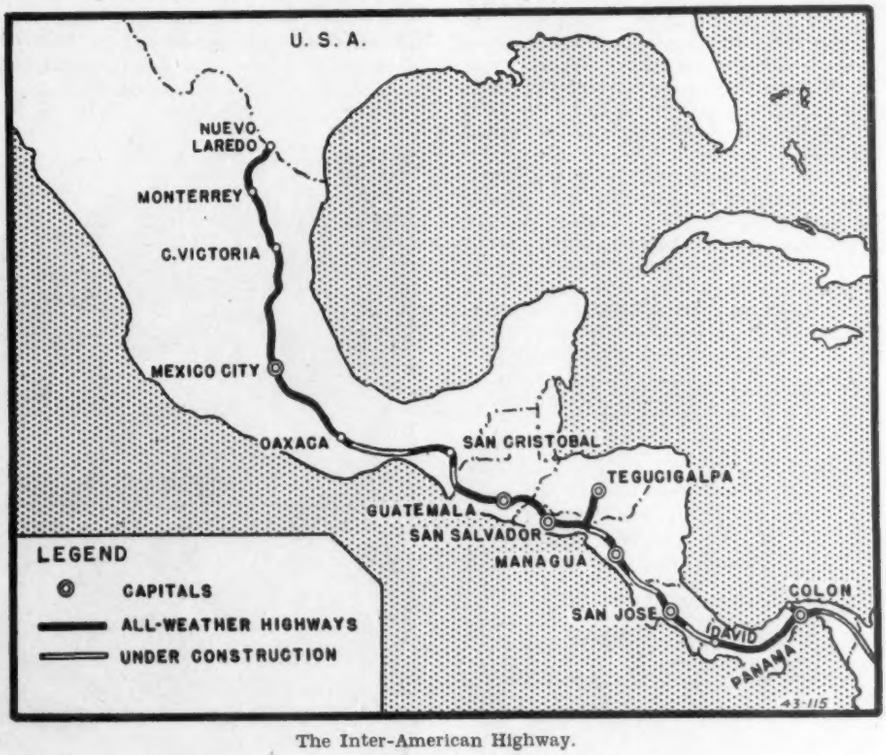
No maximum curvature was set, as it was expected that the construction would follow the alinement standards of the Inter-American Highway. Advantage was to be taken of the fact that where alinement is fixed a variety of profiles can be laid. With the low standards of the pioneer road and the higher standards of the ultimate Inter-American Highway, this process, if carried through, would assure that only a small fraction of the work on the pioneer road would be discarded in final construction.

Adjustments and Modifications

An adjustment had to be made also with respect to bridges and culverts. The total number of bridges over 10 feet in length remaining to be built between the southern Mexican frontier and the Panama Canal Zone was 97, and the very large footage of box and pipe culverts needed could be determined only after completion of surveys. It was obviously impossible (with restrictions that affected steel) to fabricate all the needed bridges, or provide reinforcement for so large an amount of concrete as would be required for culverts.

It was stipulated, therefore, that certain hazardous bridges should, if possible, be completed according to final standards adopted for the Inter-American Highway and that other bridges should be made temporary structures, of wood, steel, or masonry, built somewhat downstream and off-line, if possible.

Culverts were treated the same way. Certain ones that could be built exactly in line and at grade of finally anticipated profile could be made permanent—



The Inter-American Highway.

Coordinator of Inter-American Affairs

The old way is the hard way in Central America.

others should be temporary. It was expected that even some *log* culverts might be built in the temporary class.

In Charge of Construction

Construction was to be handled jointly by the Public Roads Administration and the United States Engineer Corps, and, because of the conditions existing, it was decided to do the entire job so far as possible by contract. The Engineer Corps was responsible for the pioneer-road work and the Public Roads Administration for the standard work on roads, bridges, and culverts, regardless of whether the drainage structures were on pioneer or standard sections of the road. In all, nine contracts were let for roads and bridges, covering a total of 1,405 kilometers of highway and some 18 bridges.

Three of the Republics having highway organizations partly or wholly equipped took contracts to construct the sections of pioneer road included within their limits. Guatemala undertook to reconstruct an existing dirt wagon road from Malacatan via Avutla, Retalhuleu, to Escuintla. El Salvador contracted to reconstruct and extend a road from San Miguel via Santa Rosa to the Goascoran River, and Nicaragua agreed to build a new road from the vicinity of Jinotepe via Nandaime, Rivas, and La Virgen to the Costa Rica frontier. It was necessary to provide Guatemala and El Salvador with some equipment additional to that available to the highway department. Such equipment was furnished on a rental basis.

Private Contracts

Private contracts were made with the Foundation Co. of New York, Martin Wunderlich Co. of Jefferson City, Mo., with Swinnerton, McClure & Vinnell of San Francisco, and with Ralph E. Mills Co. of Frankfort, Ky., for road construction, and with the Frederick Snare Corporation for bridge substructures and steel erection. Bridge steel was fabricated by contract by the United States Steel Export Co.

The Swinnerton contract covers the section of pioneer road in Honduras from the Goascoran River at the Salvador border to El Espino on the Nicaragua line, via Nacaome, Choluteca, and San Marcos, following throughout the location proposed for the final standard construction on the Inter-American Highway. The total length in Honduras is 164 kilometers. In addition, the Swinnerton associates have the northern section in Nicaragua from the Honduras line via Somoto, Condega, and Esteli, to Sebaco, where present standard construction is picked up and continues to Jinotepe.

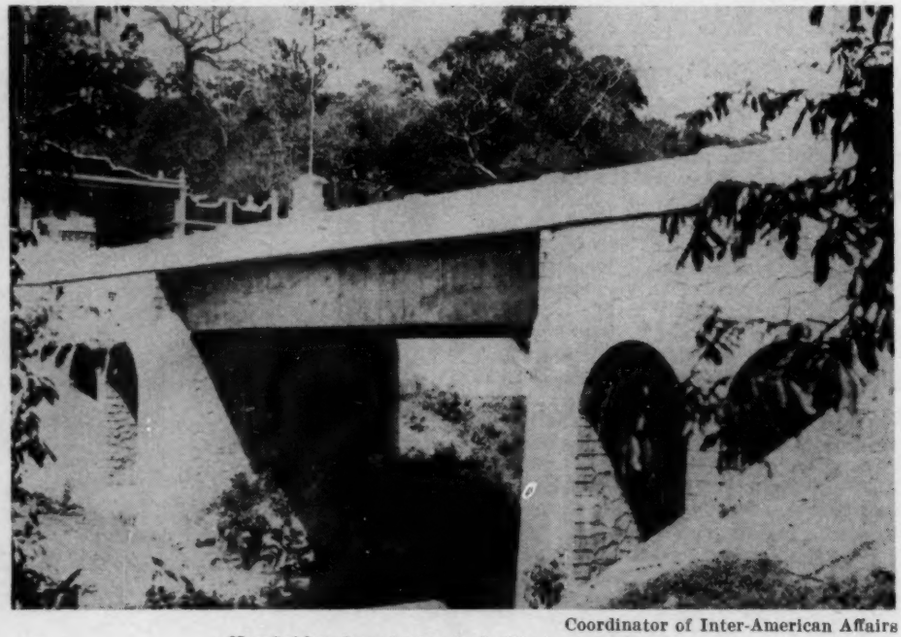
The Foundation Co. undertook to construct the section in northwestern Costa Rica from the Nicaragua line, practically at the shore of Lake Nicaragua, to Naranjo, via La Cruz, Liberia, Canas, and San Ramon. Difficulties, later referred to, in securing equipment and supplies led to the termination of the contract with the Foundation Co. and at this time the work is being carried on by force account.

The Ralph E. Mills Co. has a very difficult section in Central Costa Rica from Cartago to San Isidro del General, about 94 kilometers long, that crosses the Continental Divide at an elevation of 10,931 feet in extremely rough terrain. Wunderlich continues the work in southern Costa Rica down El General valley via Buenos Aires and Paso Real to the Panama frontier at the crest of the Santa Clara range, thence across the Chiriqui Plateau, and down the mountain to Concepcion and David—at which latter place terminates the construction of the Central Highway in Panama from the Canal Zone, 493 kilometers to the east.

The Frederick Snare Corporation was awarded a contract to construct six bridges—one at the Goascoran River, on the Honduras-El Salvador line; two in Honduras at the Guacirope and the Rio Grande near Nacaome; one at the Ochomogo north of Rivas, Nicaragua; and one each at El General and Brus Rivers in southern Costa Rica. This contract has been augmented by additional bridges as steel has been made available. Three additional structures in Nicaragua at the Rio Grande, Aguacatasta and Calabazas, for which substructures are already complete, were first added, and later nine structures in Costa Rica were included. These latter with one exception lie in El General valley between the General and Brus bridges originally provided for.

Difficulties Exceptional

As should be expected, under the circumstances coincident with the develop-



Coordinator of Inter-American Affairs

New bridges have had to be built at many places.

ment of this construction program, the difficulties of organization have been exceptional. Although the project was not undertaken solely as a war measure, because the cooperative construction and the greater part of the necessary funds were provided before the forced entrance of the United States into the war, nevertheless the addition of the pioneer sections and the expedited program were obviously incident to defense activities from the point of view of transportation insurance.

This original plan called for the completion of all surveys, the letting of all contracts, the assembling of all required equipment at convenient points in Central America, the construction of camps and the accumulation of supplies by November 15, 1942, so that with the opening of the dry season construction could be started simultaneously at all possible points. Contracts were let in August less than a month after final instructions to proceed. But the difficulties in securing equipment and forwarding it to points in Central America were such as seriously to retard the initial organization and preparation. Even today not all needed equipment has arrived on the respective sections.

Coordinator of Inter-American Affairs

Toward faster transport, better life, in the shadow of the Salvadoran hills.

Original Program Not Feasible

The original program called for completion of surveys by November 15, 1942, and completion of the pioneer road by May 15, 1943, at which time the rainy season might be expected to open. This provided for about 6 months of construction season for 1,637 kilometers of road under eight contractors or roughly 35 kilometers per month per outfit. As some sections of the route could be approached at numerous points besides the ends, it was expected that enough construction gangs would be put to work to complete such a program with relative ease.

The almost complete failure of transportation by water to Central America from ports of the United States on both coasts not only quite destroyed the possibility of carrying out the original program, but emphasized as almost nothing else could the necessity for the very project that was being prevented by the inevitable course of events.

Indeed, so keen became the pressure to secure some outlet from Central America that plans were successfully carried forward to construct a railroad bridge at the Suchiate River between the towns of Mariscal and Ayutla at the head of rails respectively in Mexico and Guatemala. But the building of the bridge and the creation of a freight transfer station at Ayutla, Guatemala, did not come in time to relieve the need, and so difficult became shipping conditions that one contractor was entirely unable to equip his job and the contract was canceled.

Coordinator of Inter-American Affairs

The people of Middle America are eager to achieve improvements. This scene is on the Inter-American Highway in Guatemala.

Prolonged Rains Interfere

Other difficulties have been encountered that were not to be expected. The rainy season that normally would have tapered off to 3 or 4 inches for December, with most of that before the 15th of the month, carried on almost unabated in the upper elevations and often in the lower into January 1943, February, and even into *March* in some places. As the job was in large part one of "making the dirt fly," the continued rains interfered rather effectively.

"Tough Going" in Costa Rica

The completion of the instrument survey over the hitherto unsurveyed section of the Continental Divide in Costa Rica revealed an exaggerated series of con-

(Continued on p. 28)

News by COUNTRIES

Argentina

Tariffs and Trade Controls

Rubber Temporarily Exempted from Import Duties.—Crude rubber and rubber manufactures imported into Argentina are exempted from payment of customs duties and other incidental charges, by the terms of decree No. 5904/43, of August 19, 1943. The exemption is to be in effect for 6 months, until February 19, 1944, and will be renewed automatically for 6-month periods until such time as the Executive authority declares the internal rubber supply situation to be normal.

Validity Period of Export Permits Lengthened.—Export permits issued by the Argentine Government will be valid for 120 days instead of the former 90 days, by the terms of decree No. 2991, issued July 20, 1943, by the Ministry of Agriculture, and published in the Boletin Oficial of July 28, 1943.

The decree also provided that all export permits valid on the date of issuance should have their period of validity extended for 30 days. Reason for the decree is the advisability of facilitating exports and of avoiding the inconveniences which arise when a permit expires just before loading operations are begun.

Extensions of export permits under the new terms will be for the same period as the original permit—120 days. The system of applying for and granting extensions is not changed, but officials of the Committee of Exportation and of Industrial and Commercial Development, which controls export permits, are expected to be much more strict in passing on the reasons given by exporters for failures to use permits during the period of validity.

Requests for extension must be filed with the Committee before the expiration date of the original permit, otherwise the application will be treated as a new one. When a permit is granted, the exporter must pay the Committee one-half of 1 percent of the f. o. b. value of the goods to be exported, which amount will not be refunded if the permit is not used.

Agreement to Appoint Commissions to Study and Propose Bases for a Customs Union Signed With Chile.—An agreement between the Argentine and Chilean Governments to constitute a mixed commission to study and propose the bases for a Customs Union of the two countries was signed at Buenos Aires on August 24, 1943. The Mixed Commission is to be formed of six members from each country, who were to be appointed before September 25, 1943, and will be presided over by the Minister for Foreign Affairs of Chile or of Argentina, or, in their absence, by the respective Ambassadors, according to whether the Commission holds its sessions in one or the other country.

The Mixed Commission must meet as soon as possible, and not later than during March 1944. The first session will be held at Santiago. If necessary, it may call a second meeting to be held at Buenos Aires, but in any event it must finish its work before August 24, 1944.

In addition to the Mixed Commission, each Government shall appoint, also before September 25, 1943, a National Commission, composed of the six members of the Mixed Commission, and as many other members as may be deemed necessary. The National Commissions shall study the various phases of the proposed Customs Union insofar as they refer to the interests of the respective countries and the complementary measures tending to facilitate and to hasten the merging of both economies, and shall draw up proposals to be submitted by each party to the Mixed Commission for study. Each Government will designate one of its six members of the Mixed Commission to be the president of the National Commission.

The National Commissions will begin their work as soon as they are appointed and will communicate to each other the proposals relative to the full Customs Union or to some of its aspects which they may draw up for submission to the Mixed Commission.

Apart from the studies entrusted to the Mixed Commission and in accordance with the purposes which brought about the present agreement, both Governments shall take, immediately and by mutual consent, all the measures necessary to establish the exemption and reduction of duties and other modifications of the customs regimes which may be enforced in a very short time and which may seem appropriate to facilitate and develop reciprocal trade.

The agreement also provides for the establishment of an appropriate system of payments adjusted to reciprocal-trade conditions.

A declaration given as a foreword to the agreement states the understanding of both Governments that "this Customs Union will be open to the adherence of any neighboring country and that it will constitute a first step toward a continental economic organization including the reduction or the abolition of customs barriers."

Convention on Frontier Traffic and Transit Facilities Signed with Chile, with Note on International Traffic.—An agreement establishing regulations to govern the frontier traffic between Argentina and Chile, and the transit of merchandise to or from either of these countries through the territory of the other, was signed at Buenos Aires on August 24, 1943. This agreement is to implement certain provisions of the commercial treaty of June 3, 1933, and of the additional protocol thereto of February 18, 1938, between the two countries.

The agreement sets up detailed procedure for the control at the frontier of private traffic based on the international regulations regarding the circulation of automobiles established by the Paris Convention of 1926. For public-service traffic, the vehicles employed must be registered with the appropriate authorities in both countries, and transportation services shall be governed by the laws of the country through which passage takes place.

Provision is made for free transit through the territory of either country for merchandise in transit to or from the other country, and exemption from import, export, or transit duty, regardless of whether the goods are in direct transit or are transshipped, unloaded, stored, and reloaded during transit. These exemptions do not apply, however, to charges for real services inherent to transit, such as storage and slingage charges, and statistical fees, but each country guarantees national treatment in the application of such charges, as well as for railway or fluvial freight rates. Reservation is made from the freedom-of-transit clause for existing or future measures taken by either country referring to public security; traffic in arms.

The Cover Picture

Loading Tanks

Scenes like this are of exceedingly frequent occurrence nowadays at American ports, as the vessels constructed with such phenomenal speed in our shipbuilding program receive in their holds or on their decks the deadly mechanisms that are destined to wreak havoc on the enemy.

This picture is one of the excellent and continuing series of action photographs in which the U. S. Maritime Commission is recording the progress and results of the activities discussed in the feature article beginning on page 5 of this issue of our magazine.

munitions, and war materials; and the protection of public health, and the health of animals and plants, from diseases, insects, or noxious parasites.

Each of the contracting parties binds itself not to permit the passage to the territory of the other, of goods the transit of which is prohibited by the latter, unless specifically authorized by the other country.

Both countries pledge themselves to prevent merchandise which might be destined for contraband from being accumulated or stored near the frontier, and to take the necessary precautionary measures to this effect. The accumulation of foreign nationalized merchandise and of national merchandise in frontier regions to be commonly agreed upon by the customs authorities of the contracting parties cannot exceed the demands of normal lawful business, that is to say, of local consumption.

The agreement is to come into force on the day following the exchange of ratifications, which will take place at Santiago, Chile, and will remain in effect indefinitely, subject to termination 1 year after denunciation by either party.

In a note signed in connection with the Convention and referring to the Argentine-Chilean Convention of October 17, 1887, relative to Railway Traffic, both Governments agree to draw up rulings for the formality of approving the special combined tariffs for international traffic, and to establish a special procedure for the prompt inspection of baggage in passenger trains.

[See COMMERCE REPORTS of July 1, 1933, and April 2, 1938, for notice of signature of Argentine-Chilean commercial treaty, and unconditional most-favored-nation protocol.]

Belgium

Tariffs and Trade Controls

Serums and Vaccines: Import Duties Removed.—Belgian import duties on serums and vaccines were removed, effective August 17, 1942, by an order of August 10, published in the Moniteur Belge of August 14, 1942 (just received).

Coal and Coke for Industrial Use: Import-License Taxes Suspended.—The import-license taxes on coal and coke for industrial uses and coal for the manufacture of coke, collected upon issuance of licenses for importation into Belgium, were suspended on September 9, 1942, by an order of July 31, published in the Moniteur Belge of September 7 and 8, 1942 (just received).

[These taxes had been fixed by a royal decree of December 26, 1938, as announced in COMMERCE REPORTS of February 18, 1939.]

Cork: Regulation Governing Purchase, Sale, and Manufacture Revised.—Regulations governing the purchase, sale, transfer, and manufacture of cork and cork products in Belgium, under the Central Wood Office, were revised by ordinances No. 16 and No. 17 of August 6, 1942, published in the Moniteur Belge of August 21, 1942 (just received).

Food Centrals Reorganized; Financial Office Created.—The Food Centrals, which had been established in Belgium on February 1, 1941, were reorganized as public establishments of the State, and a Financial Office of the Food Centrals was created, by two orders of August 1, 1942, published in the Moniteur Belge of August 5, 1942 (just received).

These centrals were authorized to make sure of the importation, exportation, and distribution of certain products, and to allocate certain products in commerce or in industry.

The administrator of each central is to fix prices for purchases, sales, and manufacture, to determine profits and general conditions of manufacture and distribution, and to apply taxes on importation and exportation.

Soap and Soap Powder: Price-Equalization Office Established.—A Price Equalization Office for the Industry of Hard Soap and Soap Powder was established in Belgium, by an order of September 9, 1942, published in the Moniteur Belge of September 13, 1942 (just received).

Funds for the operation of this office are obtained from sales taxes on fine soap, shaving soap, and soap powder, fixed by the Price Commissioner and payable by manufacturers.

Bolivia

Transport and Communication

New Roads Provide Three Outlets to the Sea.—The Santa Cruz Corumba Railway line is expected to be completed by the close of 1944. With the construction of a highway between Cochabamba and Santa Cruz, direct communication will be possible from Arica, Chile, on the Pacific Ocean, to the Port of Santos, Brazil, on the Atlantic, states a South American trade periodical.

The section now under construction runs from the Bolivian town of Santa Cruz de la Sierra to Corumba, Brazil, from which river-port town there is direct access to Santos. A section of some 93 miles of the track has been completed from funds obtained through the cession of the Territory of Acre by Bolivia to Brazil, it is reported. This railway will give to land-locked Bolivia a free port for its commerce.

The Argentine Government is attempting to give Bolivia a further outlet to the sea through the loan of approximately 12,000,000 pesos, for the con-

Pertinent Comments on World Economy Today

[Being one of a series of excerpts from books, pamphlets, and speeches]

Africa's Economic Significance

An extraordinary development of Africa's physical resources is taking place today. The war has created an insatiable demand for minerals, lumber, foodstuffs, and tropical produce of every sort, draining off surpluses and awakening new demands in hitherto untouched regions.

Under Lend-Lease, military supplies have flowed in a steady stream to the defense of African territories; modern roads and railways have been constructed; air bases have dotted the landscapes, and the airplane has become a familiar sight; ports have been enlarged and improved.

As new needs have arisen under the emergency, the demand has increased for such little-known ores as tantalite or columbite, and for such exotic products as shea butter and kapok and calabar beans and pyrethrum.

In the cause of victory, agents of this Government have flown hither and yon collecting valuable products for shipment to the Allied war machine. The expansion of trade which has occurred in each direction is limited only by the desperately overburdened shipping facilities.

Such has been the impact of war on the economy of Africa that far-reaching results may be anticipated. The artificial stimulus has caused many changes in methods of production and in the utilization of native labor. *A new standard of living has been introduced, from which Africa cannot retreat.*

Now what of the post-war period? To what extent will our ships continue to ply the waters of Africa, laden with building supplies and machinery on the one hand and returning with valuable tropical cargoes on the other? Common sense tells us that the wartime pitch cannot be maintained, that the requirements of the African bases will diminish sharply.

It is problematical to what degree our Lend-Lease arrangements will permit us to extend the projects which have so materially assisted the common war effort in Africa. War goods will be replaced by peace goods, and our normal shipments of automobiles, radios, leaf tobacco, and hardware will be resumed.

Yet trade is bound to grow over the years. We would not be American if we were not interested in *that*. Moreover, *our recently developed use for some of Africa's products may well persist after the war.* The staggering consumption of metals alone may seriously affect our own resources, for instance, of manganese, copper, and tin.

Natural resources such as exist in Africa offer great reservoirs for development and use by the peoples of the world—including those indigenous to Africa.

(From a recent address by Henry S. Villard, Assistant Chief of the Division of Near Eastern Affairs of the Department of State.)

Courtesy Office of War Information

struction of a railway from Yacuiba, Argentina, to Santa Cruz, Bolivia.

Paraguay's consent to a water outlet for Bolivia to the River Plate by way of the Paraguay River is also being sought.

Brazil

Tariffs and Tariff Controls

Fruits: Executive Commission Established for Control, Production, Trade, and Exportation.—The Executive Commission for Fruits, an autonomous commission which will operate in conjunction with the Brazilian Ministry of Agriculture, and which is to control production of and trade in fruits and their derivatives was established by decree law No. 5032 of December 4, 1942, which became effective on December 7, 1942. The Commission will be made up of a representative of the Rural Economy Service acting as president, a representative of the National Department of Vegetable Production, a representative of the Federal District, and a representative from each of the two largest producing States.

The Commission is charged with:

(*a*) Drawing up plans for the enlargement of the national fruit industry, beginning with citrus fruits.

(*b*) Estimating annually the fruit crops.

(*c*) Controlling the production and supply of fruit to the markets.

(*d*) Providing and regulating transportation, and improving methods of loading and unloading, traffic, and distribution.

(*e*) Promoting, together with the competent organs, the necessary adjustment of tariffs.

(*f*) Providing, in conjunction with other organs, efficient advertising for the consumption of fruits and their byproducts in domestic and foreign markets.

(*g*) Constructing warehouses, particularly central warehouses, in the large consuming and exporting centers, as well as packing houses and installations for transforming excess crops into essential oils, dried fruits, flours, juices, wine, vinegar, alcohol, feed cake, and other products, which may be obtained.

(*h*) Supervising central warehouses and all other services supplying the markets, and establishing export quotas, fixing prices to be paid to the producer, charges for improvement and industrialization services, and sales prices to consumers in the case of products sold on the domestic market.

(*i*) Organizing fruit cooperatives under existing legislation, with the exception that the Commission may appoint and replace the members of the Board of Directors, which are to be picked from fruit growers, cooperative officials, etc., during the first 3 years; the production zones are to be set up by the Commission, and only one cooperative may be established in each zone.

(*j*) Financing, through producers' cooperatives, the cultivation of fruit.

The Commission is also authorized to create, collect, and dispose of a tax of 1 cruzeiro per case or corresponding quantity of fruit, and must render a monthly account of these funds to the Ministry of Agriculture.

The decisions of the Commission will be issued in the form of resolutions, and will become effective 60 days after their approval by the Minister of Agriculture.

This decree law abolishes the "Regulating Board for the Orange Trade," established by decree No. 3635 of September 18, 1941, to regulate the orange industry.

[See FOREIGN COMMERCE WEEKLY of November 1, 1941, for notice of the establishment of "Regulating Board for the Orange Trade," which has been abolished.]

Mandioca: Executive Commission Established to Control Production, Trade, and Exports.—A Brazilian Executive Commission for Mandioca Products, has been established in the Ministry of Agriculture, to control the production of and trade in amylaceous products, by decree law No. 5031 of December 4, 1942, which became effective on December 7, 1942. The Commission is made up of a representative of the Rural Economy Service, who will be president, a representative of the Service for the Control of Trade in Flour, and one representative each from the northern region, the central region, and the southern region of Brazil

The Commission is charged with:

(*a*) Making a systematic study of the zones where mandioca is cultivated, the area planted in mandioca, the methods of production, methods of transformation and products obtained, consumption capacity, and other data for the control of its cultivation.

(*b*) Setting up or dispossessing plants, as may be required, for a rational organization of the industrialization of mandioca, according to a plan to be prepared and submitted for approval to the Minister of Agriculture.

(*c*) Taking the necessary measures to protect and control the production and transformation of mandioca, and the transportation and marketing of products derived therefrom.

(*d*) Negotiating, with a guaranty from the producing States, the necessary credit operations for the general protection of the mandioca industry.

(*e*) Collecting a tax of 10 percent of the sales value of mandioca products and disposing of these funds for the operating expenses of the credit operations realized, and building up a fund required for the cultivation and industrialization of mandioca and the marketing of mandioca products, and for the expenses of the Commission, subject to monthly accounts being rendered to the Ministry of Agriculture.

(*f*) Organizing cooperatives for financing mandioca agriculturists, and industrialists, and administering local and central plants.

(*g*) Appointing and replacing, for a period of 3 years, directors of the cooperatives organized.

(*h*) Establishing the area within which cooperatives will operate, each zone being limited to one cooperative.

(*i*) Making agreements with consuming countries, or carrying out agreements already made, which affect mandioca products.

The decisions of the Executive Commission for Mandioca Products will be issued in the form of resolutions which will become effective upon approval by the Minister of Agriculture.

British West Indies

Transport and Communication

New Air Services Instituted Between United States and Jamaica.—Regular weekly air service has been instituted by the Royal Dutch Air Lines (K. L. M.) between Miami, Fla., and Kingston, Jamaica, via Camaguey, Cuba. The service is scheduled to be based at Willemstad, Curacao, British West Indies.

The British West Indian Airways are reported to be planning a link between Jamaica and the United States. Its base is to be Port-of-Spain, Trinidad.

Chile

Tariffs and Trade Controls

Cement: Importation Prohibited Except Under Prior Permit.—The importation of portland cement into Chile for construction purposes was prohibited, except under prior authorization by the Commissariat-General of Subsistence and Prices, according to a decree published in the Diario Oficial of September 1, 1943. Permits will not be granted for imports of cement, the price of which exceeds that of domestic cement.

Colombia

Transport and Communication

Extension of Railway.—Plans have been announced in Colombia for the extension of the Ferrocarril Troncal de Occidente Railway from Anza (Department of Antioquia) to the city of Antioquia. The completion of this section of the railway line will shorten transportation distances between the two cities, as well as open up a rich agricultural area west and northwest of Medellin.

Cuba

Economic Conditions

B. E. W. Establishes Advisory Commissions

The Cuban Board of Economic Warfare, which is charged with the task of adapting Cuba's economy to present emergency conditions and preparing it for the contingencies of the post-war period, has established several advisory commissions to assist it in the carrying out of its assignment, says the Habana press of September 2, 1943. A separate commission will give special attention to the problems of sugar, tobacco, agricultural matters in general, cattle raising, mining, industry, wholesale trade, retail trade, transportation and communication, money, credit and financing, taxation, labor, and living standards.

Dominican Republic

Economic Conditions

Trade was maintained at a satisfactory level in the Dominican Republic during July, as import and export volumes reflected the improved shipping situation. Stocks of export goods were still large, but less concern was shown regarding their movement than was previously the case. Import stocks of goods other than those in short supply in the United States were satisfactory. There were no food shortages, and the employment situation remained favorable. Retailers reported increased trade during July, with volume approximating 1940 levels. Internal transportation continues to be unfavorably affected by a lack of supplies, and equipment and food prices have risen largely because of that factor.

Foreign Trade

The general export situation has been aided considerably by the clearance of all 1942 sugar, and also by the shipments of starch and molasses. There were still large quantities on hand of the last two items, but the mere fact that some movements have taken place for the first time in more than a year lends encouragement. The total volume of exports during July 1943 was slightly less than the volume for the corresponding month of last year, owing mainly to the decrease in the rate of sugar exportations. Exports of other items, however, were made at satisfactory prices, and the total value of July 1943 exports was greater than those of July 1942. A shipment of molasses was made to the United States during July, the first movement since the summer of 1942.

Agriculture

With the exception of two small sugar mills which had not yet finished grinding at the end of July, the 1943 sugar-grinding season had been completed. The summer harvest of cocoa was one of the largest in recent years, and a fair portion of this crop had already been moved. Almost all the available coffee for export had been shipped. The main rice harvest was expected to begin at the end of July, but crop possibilities were only fair. A heavy crop of tobacco was expected earlier in the season, but, as the harvest neared completion, it became apparent that results would be disappointing.

Gold Coast

Wartime Commodity Controls

Disposal of Mid-Crop Cocoa.—The West African Produce Control Board will purchase the 1943 mid-crop cocoa of the Gold Coast, according to the Gold Coast Gazette of June 26. A standard price of 5 shillings per head load of 60 pounds has been set, to apply to grades I and II only.

The demand for cocoa for general manufacturing purposes has been very limited, on account of wartime difficulties, and considerable stocks of cocoa are reported still to be awaiting shipment. The mid-crop will be stored with a view to local utilization for making cocoa butter.

Guatemala

Tariffs and Trade Controls

Imports of Cumin Seed Exempted from Differential Customs Surcharges.—Imports of cumin seed, regardless of country of origin, have been exempted, for the duration of the war, from the payment of the customs surcharge of 100 percent of duty and other customs charges, by a Guatemalan customs circular, dated August 20, 1943. This 100 percent customs surcharge has been assessed on imports from countries whose exports to Guatemala doubled in volume during the preceding calendar year, or whose merchandise balance in the preceding year was unfavorable to Guatemala by more than 75 percent.

Iran

Tariffs and Trade Controls

Import Monopolies Expanded.—As a price-stabilization measure, the following commodities were included in an import monopoly in Iran, effective May 23, 1943, under control of the Section of Price Stabilization: Cotton products—yarns, cotton thread, cotton piece goods, socks, stockings, towels, knitted clothing, thread on bobbins, and clothing made from cotton piece goods; gunny bags and wrappers, strings and ropes made from jute and raw jute; soaps and candles; electric light bulbs and insulated wire for electrical wiring; dyestuffs; chemicals of all kinds; automotive vehicles, parts and accessories; tires and tubes;

Cuba Names Committee to Study Post-War Problems

Cuba, one of the first American nations to declare war on the Axis, has become one of the first American nations to prepare for American progress after the war. A National Committee on Post-War Problems, headed by Premier Ramón Zaydin, has been named in accordance with recommendations made at the Rio Conference of American Foreign Ministers in January 1942.

The Committee, symbolizing Cuba's official recognition of the need for post-war planning, will be divided into six subcommittees on juridical, political, social, economic, financial, and public-health questions.

Members of the Committee include the following distinguished figures in the island-Republic's public life: Dr. Antonio S. de Bustamante, famed authority on international affairs; Dr. Cosme de la Torriente, ex-Ambassador to the United States and former President of the Fourth Assembly of the League of Nations; Dr. Jose Manuel Cortina, President of the Cuban delegation to the Inter-American Conference for the Maintenance of Peace and ex-President of the Senate Committee on Foreign Affairs; Dr. Gustavo Gutierrez, former President of the House of Representatives; Dr. Fernando Ortiz, well-known jurist and sociologist, and Dr. Jose Bisbe, of the Habana University Medical School.

In an address inaugurating the Committee's activities, Dr. Emeterio Santovenia, Minister of Foreign Affairs, said: "Prudent and intelligent inter-American politics may be the starting point for the reconstruction of the world, at a time which can truly be called the Age of the Americas. The work of these technical committees may determine the measures capable of placing Cuba, both by itself and in collaboration with other nations, in a position to subsist and prosper during the difficult times which will follow the war."

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lamps, oil or kerosene, lamp chimneys, and lamp wicks; chinaware, glassware, and kitchenware; pins and needles; sewing thread and yarns of all kinds other than cotton; paper of all kinds; paper clips, pencils, pens, and penholders; typewriters, typewriter ribbons, carbon paper and mimeograph stencils; ink; coal, wood for fuel, and charcoal.

These commodities will be imported into Iran by the Section of Price Stabilization or by merchants under licenses issued by that office under regulations set forth by the Administrator General of the Finances.

Commodities imported by the military authority of any foreign government for use or consumption by its military forces in Iran and commodities in transit through Iran in custody of the military authority of a foreign government are not subject to this control.

Mexico

Transport and Communication

Losses Averted Through Cooperation of Railways.—Serious losses to banana ejidos (common public lands) in Veracruz and Chiapas, Mexico, through lack of transportation facilities, are being averted by the cooperation of the Mexican National Railways.

According to a Presidential order, the railways will supply equipment as needed for transporting the banana crop to consumption centers or to the frontier of the United States. The National Bank of Ejidal Credit will communicate directly with the railroads, supplying specific data as to transportation needs. No railway equipment is to be supplied to private individuals or organizations until the needs of the Bank, the instrument through which the State functions in relation to the local Societies of Ejidal Credit, have been met.

Netherlands Indies

Transport and Communication

Railway Construction in Sumatra.—The Deli Railway line of northern Sumatra has been "completely restored," says a Japanese broadcast. A permanent railway bridge is said to have been constructed over the Oelar River, some 25 miles south of Medan.

Nigeria

Economic Conditions

A sum of £15,000 has been placed at the disposal of the Governor of Nigeria for the payment of bonuses to peanut growers. Production of other seeds high in oil content—benniseeds and shea nuts—also is being encouraged. The British Ministry of Food has arranged to purchase more than 10,000 long tons of the latter from Nigeria, according to British sources.

Tariffs and Trade Controls

Increased Excise on Cigarettes.—Excise duty, levied on all cigarettes manufactured in Nigeria, has been raised, says the Nigeria Gazette of July 26. The rates on cigarettes sold ex-factory are now £1 3s. per thousand if valued £1 2s. 6d. or less, or £2 4s. 6d. duty per thousand when the value exceeds £1 2s. 6d. Each pound by weight of cigarettes is assumed to contain 400 cigarettes.

Panama

Economic Conditions

During the month of August, the economic life of Panama appeared to be maintaining the even tenor of the few preceding months. The high tempo of imports was sustained, several new Government construction projects were announced, and the increase in Government revenue continued.

Actually, however, retail merchants reported that August sales were off from 20 to 40 percent, compared with 1942, and wholesale inventories began to assume considerable proportions. At the same time, the banks reported that money circulation was down some 25 percent.

A partial explanation for this decline in local business activity is that employment in the Canal Zone and other sources of spending power have declined.

Along with the reduction of employment in the Canal Zone has come the repatriation of foreign laborers who were brought to the Isthmus to work on Canal projects, and who have now completed their contracts or who have quit their employment.

Cost of Living

Government efforts during August to control cost of living received marked attention. Meat shortages and concern over indiscriminate selection of cattle for slaughter led to a "meatless-Monday" decree. A new meat-price structure was established by the Board of Control of Imports, Prices, and Supplies. To enforce its decrees, the price-control agency appealed to the law in a number of instances, and guilty speculators received fines ranging from $10 to $200.

Occasional foodstuff shortages were reported during the month. There was a short supply of evaporated milk, attributed to war exigencies. It was predicted in August that the absence of potatoes would continue until late September, when the local supply was expected to be augmented by the crop from Boquete.

Agriculture

The Government continues its program of aid to agriculture, in the effort to increase foodstuff production. In the Santa Maria River valley the Department of Agriculture is making plans to develop an irrigation system. It also has signed contracts with four Cuban and two Peruvian agricultural engineers whose services are to be available to the Republic for at least a year.

The Ministry of Health and Public Works has joined with the Ministry of Agriculture to secure the construction of a number of mutually beneficial enterprises, such as anti-hoof-and-mouth-disease tanks.

Commerce and Trade

Credit collections generally were still being met promptly, says the August report, but bank financing of imports seemed increasingly to be sought. There was still an abundant flow of money among the citizenry as a whole. Deposits in the Banco Nacional as of June 30, 1943, were $20,974,733.35, an all-time high. The National Lottery has announced for December 19 its biggest drawing in history.

Import figures for May were released in August and showed an advance, by value, over April 1943 and May 1942. May imports from Latin America, however, fell off as compared with April, and it is generally believed that the high level of imports from the United States is the result of goods arriving which were ordered and paid for several months ago.

The tone of the local stock market continued strong, with quotations during August the same as those for July.

During August the Ministerio de Agricultura y Comercio ordered the closure of eight commercial establishments on the grounds that no foreign merchants could legally obtain a renewal of their business licenses unless they had resided for 5 years within the Republic.

Construction

With the Government's income for the first half of 1943 reaching an all-time

Air Service to Puerto Rico Increased

Air service between Miami and San Juan, Puerto Rico, was recently increased (effective September 19) by two round trips weekly, the Eastern Division of Pan American World Airways has announced.

The increased service, made possible by assigning an additional Sikorsky S–42 Flying Clipper to the route, aids materially in meeting the present wartime demands for passenger and cargo space between the islands and the mainland.

Eighteen instead of 16 flights are now made weekly in both directions. One of the two additional weekly southbound flights is extended to Georgetown, British Guiana, doubling the previous seaplane service which supplements the present daily land-plane service to that port from Miami.

Effective at the same time, a fifth weekly service was inaugurated to Kingston, Jamaica, from Miami by the extension of S–42 Flying Clipper service operating Kingston-Port au Prince, Haiti, to Miami.

high, $13,037,757.08, compared with $9,975,862.47 for the corresponding period of 1942, construction projects actual and proposed were numerous.

The sum of $144,579.40 was spent during the first 7 months of 1943 in 80 school-repair jobs, and $38,000 was paid for the purchase of the previously privately owned water system at Chitre. A new story is being added to the Banco Nacional for the use of the Contraloria General. Among the new projects announced is the completion of Avenida Balboa, between Seventeenth and Twenty-ninth Streets, to provide a new route to the Bella Vista residential area. In Colon a new playfield is proposed for the Uruguay School, and in Bocas del Toro all the public edifices, especially the Government Palace, the hospital, and the police station, are to be repaired.

In line with increased governmental construction activities, the President has authorized the establishment in the Ministerio de Saluday Obras Publicas of a separate Departamento de Obras Publicas (Department of Public Works).

Building permits in Panama City, with a value of $325,730, were issued in July, compared with $129,600 in July 1942 and $236,000 in June 1943. New construction accounted for $297,000, additions for $21,830, and repairs for $6,000.

On August 11 was inaugurated Colon's finest and newest theater. It has a seating capacity of 1,700, and is said to have cost $200,000.

New industries projected for the near future are an electric plant to furnish electricity to the town of Rio Hato and an ice plant for Chitre.

TRANSPORTATION

Beginning with August 17, Pan American Airways increased its number of airmail flights to New Orleans, La., from three to five per week.

Work on the highway from David to El Volcan is proceeding so rapidly that it is predicted it will be open to traffic by the beginning of next summer.

Bus and taxi travel between Panama and Colon has reached such proportions that the Inspección General del Transito has deemed it advisable to establish official terminals at both Panama and Colon.

Philippine Islands

Transport and Communication

Japs Report Completion of Bridges.—Two bridges connecting the roads between San Pablo in Laguna Province and Tiaong in Tayabas Province, as well as San Pablo and Alomines in Laguna Province, Philippine Islands, are to be opened for traffic soon, according to a Japanese broadcast.

Spain

Exchange and Finance

Financial Statement of the Bank of Spain as of June 30, 1943.—A statement of the position of the Bank of Spain as of June 30, 1943, shows assets and liabilities of 22,741,464,369.97 pesetas, which is 290,219,010.22 pesetas less than that shown on the December 31, 1942, statement.

Gold holdings are reported at 749,216,702.32 pesetas, compared with 493,403,577.40 pesetas on December 31, 1942.

Silver held by the Bank amounted to 626,465,140.62 pesetas, compared with 623,806,282.50 pesetas on December 31, 1942.

Currency in circulation on June 30, 1943, amounted to 15,192,937,654 pesetas. This was 546,314,494 pesetas less than the amount of paper in circulation at the end of December 1942.

Tariffs and Trade Controls

Law Regulating Reductions in Import Duties Revised.—A law of December 12, 1942, reestablished the Third Base of the Spanish Customs Tariff Law of March 20, 1906, which prohibits the granting of exemptions from or reductions in import duties to services of the State, railroads, provincial or municipal public works, charitable institutions, industries, companies or private persons.

By way of exception to the foregoing, there will continue to be applied exemptions deduced from precepts contained in special laws, those of a military character in compliance with the law of May 4, 1938, and those incorporated in the text of the customs tariff or ordinances.

Provisions are also made for reductions in or exemptions from import duties when the national interest so requires.

The law of December 12, was published in the Official Bulletin of December 26, 1942, and became effective from the date of publication.

Exports of Specified Fish Products Made Subject to Control of Spanish Bank.—Exports from Spain of anchovies in brine and of canned fish in oil or sauce, were made subject to the control of the "Banco Exterior de España" by an order published in the Official Bulletin of August 6, 1943.

[*See* FOREIGN COMMERCE WEEKLY of May 22, 1943, for an announcement of the measure authorizing the Banco Exterior de España to control certain foreign trade transactions.]

Ruin Marches On

"Conditions are growing more terrible each day," according to a letter smuggled out of the Nazi-occupied Netherlands a few weeks ago. "No one can take his life or job for granted, and the interests of the Netherlands community do not count at all." The letter added that the Germans were removing even the most essential goods and leaving so little food that disease was rampant.

"We comb our hair like savages—with rude wooden combs," the writer stated. "A loaf of bread clandestinely obtained costs 2.70 guilders ($1.43). A packet of cigarettes which before the war was 15 cents now costs 10 guilders ($5.40). A single American cigarette, which for Hollanders nowadays is one of the rarest things in the world, costs a guilder (54 cents).

"Yet, all this is nothing if compared to other vexations. The entire strawberry and cherry crops were taken to Germany. Rationed jam consists of glucose, potatoes, synthetic flavorings, and water in which float a few fruit culls to camouflage the fraud. Coffee substitutes are mostly double substitutes, being made of substitutes for macaroni or other flour "ersatz," like ground acorns and bulbs. Nondescript sweepings are added to give the mixture bulk. It is not surprising that intestinal troubles among the Dutch population are increasing at an alarming rate."

Switzerland

Tariffs and Trade Controls

New Commercial and Payments Accord Signed with Turkey.—A revised accord concerning commercial exchanges and regulation of payments between Switzerland and Turkey was signed on August 4, 1943, according to an official communiqué appearing in the Swiss economic press of August 9.

The accord was to take force on September 1, 1943, if approved by the two governments, and run for a period of 1 year. It was approved by the Swiss Federal Council on August 19.

In view of the international situation, no important modification is made in the system already in force, which provides the possibility of effecting operations of private compensation of payments in free currencies between the two countries. The new accord, nevertheless, fixes in principle what categories of Turkish raw materials may be obtained in private compensation against Swiss merchandise. This innovation is intended to avoid certain compensation difficulties met previously by exporters of Swiss machines.

Service on the Turkish public debt in Switzerland, as well the transfer of certain private Swiss financial credits, will continue to operate by means of importation into Switzerland of specified Turkish merchandise.

Transport and Communication

Urban Transportation, Zurich, in 1942.—The Zurich Tramway Corporation, Switzerland's largest urban transport medium operating trolley and motorbusses, reports that a record number of 100,500,000 passengers were carried in 1942, compared with 93,540,000 in 1941. This exceeded by 5,000,000 passengers the former high peak reached in 1939.

The length of bus routes traversed was curtailed in 1942, owing to lack of fuel

(Continued on p. 29)

News by COMMODITIES

Automotive Products

Japanese Design Simple-Style Truck

A purely Japanese-style truck has been designed by the Japanese Motor Vehicle Technical Commission, according to claims of a Japanese broadcast.

The body is made entirely of wood and has a cotton-cloth awning. It is a straight-line model, requiring little labor and material. The usual gasoline engine is replaced with one specially designed for burning substitute fuels. This makes it possible to dispense with the gas exhaust tube at the rear. Trucks of the new type, it is said, are to be ready for operation in September.

Chemicals

Increased Use of Caustic Soda in Argentina

The consumption of caustic soda in Argentina has increased considerably owing to greater activity in the soap, cellulose, textile, and chemical industries, says the foreign press.

It is estimated that 40,000 tons will be required in 1943. Domestic production can meet about 30 percent of that amount, but the remainder must be imported.

Salt Production in Occupied China

In the salt industry, the Japanese have concentrated their efforts in Occupied China on the development of the Changlu (Hopei Province), Shantung, and Haichow salt fields.

If all plans had been carried out, production in 1942 would have reached 1,814,000 tons. Production in the Changlu field was scheduled for an annual increase of 700,000 metric tons by 1942. It was also planned that an additional 314,000 tons would be obtained from reclaimed fields and that new fields would produce an extra 800,000 tons. However, in 1939 a typhoon caused severe damage to the salt beds and also destroyed 800,000 tons of stored salt. The production goal is now expected to be reached in 1945.

Shantung's salt fields also were damaged, with the loss estimated at more than $2,000,000. Only 450,000 tons were produced in 1939 and the amount exported to Japan had to be reduced from 290,000 tons to 150,000 tons.

A second typhoon in 1939, on the northern coast, added to the difficulty of increasing the salt output.

South African Firms Enlarge Production

The Sodium Chemicals concern has recently enlarged its plant in South Africa for the production of sodium sulfate, a British chemical magazine reports. When the plant is operating at capacity, the monthly output is expected to reach 100 tons.

A new furnace has been installed to increase production of sodium sulfide; other additions to the existing plant are under consideration.

The output of silicate of soda has also been stepped up, it is stated.

Stove polish, made in cube form, cream furniture polish, and teak oil are among the new products manufactured by a Johannesburg firm, a British chemical publication reports.

The raw materials used are of South African origin, it is stated.

Manufacture of Artificial Fertilizers, Sweden

Sweden's annual production capacity for artificial fertilizers is now about 18,500 tons in nitrogen content, a European chemical publication states. In 1939 only 9,075 tons were produced.

Synthetic nitrogen fertilizers are manufactured by Stockholm Superfosfat A. B. Ammonium sulfate and ammonium nitrate are produced at Ljungaverk.

Since 1941, calcium cyanamide has been manufactured at Alby and Sundsvall; the future yearly output is estimated at 40,000 tons.

U. K. Develops Lime Deposits in Scotland

New sources of agricultural lime have recently been developed in Scotland, a British chemical publication reports.

An excavator and screening plant have been installed to treat the sand at John o'Groats, Caithness, and production is said to be substantial.

A new plant, with an annual capacity of 12,000 tons, has been established near Blairgowrie to work the Loch Tay deposit. Attempts are also being made to increase the use of the lime deposits in Banffshire.

It is hoped that Scottish lime production for the 1943–44 season will total 200,000 tons. This would represent a 120-percent increase over the pre-war output.

Salt Production in Yugoslavia

Yugoslavia has an annual salt production sufficient to meet the needs of southeastern Europe, a foreign chemical publication reports.

Recent statistics are not available, but the output during 1939, the last pre-war year, amounted to 54,213 metric tons.

Coal and Fuel Gas

Production in Chile

Output of the Chilean coal mines in April was 15,234 tons under that of March 1943, bringing the production in April down to 171,495 tons. The decreased output was attributed to fewer days worked in the mines.

Increased coal production is the responsibility of the recently appointed Coal Coordination Committee, which has authority and funds to combat obstacles, chief among which are absenteeism and the need for equipment.

Manchurian Production Will Be Increased, Japs Claim

Production at Sungwan and Shihjenkow collieries in Manchuria will be increased, the Japanese radio reports, by the adoption of hydraulic-pressure methods of mining and the addition of a fleet of electric locomotives at the mines.

Use of Gazogene in Serbia, Yugoslavia

Gazogene (gas generated by burning wood or coal) will be used increasingly for fuel in Serbia, Yugoslavia, according to all indications. Requests for the reconversion of automobiles to permit operation with gazogene must be addressed to the proper authorities.

Construction

Building Activity Curtailed in Jamaica, B. W. I.

Owing to restrictions regarding the granting of licenses to purchase materials and to erect buildings, construction activities in Jamaica are practically at a standstill. The shortage of building materials includes imported lumber, reinforcing steel, cement, corrugated iron sheets, and hardware.

Irrigation Projects in Bulgaria

Pumping stations of large capacity have been installed in the Province of Ruse, Bulgaria, in connection with a project to irrigate approximately 17,500

Britain Breaks up Cars

During the next 18 months, in Great Britain, 250,000 old automobiles are to be stripped of re-usable parts and then broken up for ultimate use in war weapons.

Car breakers expect to salvage 20,000 tons of iron, 500 tons of cast aluminum, 250 tons of textiles, 100,000 tires for retreading, and 125 tons of rubber, reports a foreign publication.

acres of meadow and farm land in that area.

Another pumping station is being installed in the Ruse district to utilize water from the Danube River for irrigation of 7,500 acres, it is reported.

New Commercial Airport, Ontario, Canada

A commercial airport is being constructed near Fort William, Ontario, Canada. This airport, 300 acres in extent, is being built by the Department of Transport. It will serve as a landing place for incoming and departing airplanes between Canada and the United States for customs and immigration inspection, says a Canadian aviation magazine.

New Hotel Planned for Chile

A hotel will be constructed at Lake Llanquihue, in the famous lake district of southern Chile, by the State Railways and the Corporación de Fomento (Development Corporation). A stock company is being formed, to be known as the Hostería Lago Llanquihue, and subscriptions of 450,000 pesos are being made by the Railways and the Corporation. The sum of 300,000 pesos will be private capital.

Hospital Construction in Chile

A modern hospital to cost 7,800,000 pesos (approximately $250,000 in U. S. currency) is under construction at La Serena, Chile. Its facilities will include surgical and maternity wards, a children's section, and private rooms.

The new hospital is being constructed near the present hospital in La Serena so that the better buildings of the old establishment may be utilized. The total capacity of the buildings is 400 beds.

A model hospital is projected for Temuco, Chile, approximately 200 miles south of Santiago. Plans have been drawn for a building costing slightly under 10,000,000 pesos ($322,600, U. S. currency). The exact location of the hospital has not been selected, as funds are not yet available.

Colombian Cities Building Hospitals

Construction work is to commence soon on modern hospitals in the cities of Remedios Zaragoza, and Segovia, in the Department of Antioquia, Colombia, at approximate sums of 30,000, 30,000, and 50,000 pesos, respectively.

Work is reported to have been suspended on the hospital in Abejorral because of depletion of funds. Money is being sought to complete this project and to initiate similar works in Tamesis, Puerto Barrios, and Canasgordas.

The city of Medellin recently acquired a site in the business area on which to erect a modern six-story building for the offices of the Empresa de Energía Eléctrica.

Highway Construction in Colombia

The sum of 150,000 pesos is being expended each month on the highway between the ports of Cali (Valle del Cauca) and Buenaventura. This road under construction for 15 years, is expected to be completed before 1944, reports the foreign press.

Port and Highway Construction in Manchuria

Port facilities and highways at the Port of Tatung, at the mouth of the Yalu River, in Manchuria, are expected to be completed next April, states a Japanese broadcast. Construction work is reported to be 20 percent completed and this year's budget calls for the expenditure of 14,000,000 Manchurian yuan and 1,490,000 man-days of labor.

New Railway Station, South Africa

A railway station and offices are scheduled for construction at Port Elizabeth, South Africa, at an estimated cost of $2,000,000. The station is to be at least 8 stories high, possibly eleven, and will contain offices to accommodate a staff of from 500 to 600 persons. Building operations are scheduled to begin when the requisite materials are available.

South African Dam Completed

The Kalkfontein or Kraaipoort Dam on the Riet River near Petrusburg, Orange Free State, South Africa, is now completed, and will store 80,000,000,000 gallons of water. This was under construction for 5 years, states a foreign press item.

Electrical Machinery and Equipment

Electric-Power Production in Argentina

Cia. Italo-Argentina de Electricidad of Buenos Aires, Argentina, generated 390,000,000 kilowatt-hours in 1942, the foreign press says, more than one-third of which was produced by using vegetable fuels.

During the year, two boilers at the New Port station were altered so that pulverized cereals could be used for fuel, and two others were converted to burn corn. Vegetable fuels were also used in the Pedro Mendoza station.

In both cases, it was necessary to install special handling, storage, and pulverizing equipment to take care of the new type of fuel.

Bulgaria's Electrification Program

A thermoelectric plant is to be constructed on the property of the State coal mines at Pernik as part of Bulgaria's 1943 electrification program, a foreign trade journal says. Plans call for a 50,000-horsepower steam turbine and the utilization of waste coal for fuel. Power will be transmitted to Sofia and the northwest part of the country as far as Plovdiv.

In 1942, electricity was supplied for the first time to 11 towns and 166 villages.

New Peruvian Cooperatives to Grow Cinchona Trees

Cultivation of cinchona trees for production of quinine is one of the objectives of new agricultural cooperatives being established in Peru. Opening of big hemisphere markets for quinine and other tropical materials formerly imported from the Far East has focused the attention of Peruvian cooperatives on opportunities for developing export trade.

The agricultural cooperative movement has been growing rapidly in Peru, as illustrated by the recent organization of 20 new ones in the Province of Huanuco. These cooperatives will give special attention to cinchona for Peru's expanding quinine industry.

In the past year, according to a report from Peru, 45 agricultural cooperatives have been established in the republic with a total membership of nearly 5,000.

Regulation of Power Production, Manchuria

Electrical enterprises in Manchuria are now being regulated by the Government, a Tokyo radio broadcast states.

Regulations have been issued covering practically every phase of power production and distribution, including the mobilization of electric power and equipment, control of installations and electrical machinery, control of public officials dealing with electrical enterprises, restrictions on consumption, and development of generating facilities.

Plants not established in accordance with the Government rulings may not generate, supply, or distribute electricity freely.

Insulator Manufacture, Netherlands Indies

Engineers of the West Java Electric Co., Java, have succeeded in developing high-voltage insulators of fireproof brick and coke, says a Tokyo broadcast. Previously, high-voltage insulators were imported.

Raw materials necessary for the production of the new-type insulators are abundant in Java, and plans reportedly are being made to manufacture them in large quantities.

Electric-Power Production in Sweden

Sydsvenska Kraft A. B., which is capitalized at 22,292,800 crowns and is the largest privately owned electric-power company in Sweden, has reported that net profits in 1942 amounted to 4,200,000 crowns, compared with 3,970,000 crowns in 1941.

Activities of the company and its subsidiaries cover that part of Sweden lying south of an imaginary line drawn from Halmstad on the west coast through Nassjo to Vastervik on the east coast.

Allocation of Textiles for Export

Allocations of textiles for export, excluding military and Canadian, for the second half of 1943 to date represent approximately 3 percent of United States production for this period of cotton, rayon, and wool fabrics, Frank L. Walton, Director of the Textile, Clothing, and Leather Division of the War Production Board, announced several days ago.

The total allocation for the 6-month period is 192,300,000 yards of fabric which is now authorized for procurement. This is an increase of 105,800,000 yards over the July 2 announced allocations for this period.

These fabric allocations are composed of 183,600,000 yards of cotton fabric, 3,060,000 yards of wool fabric and 5,638,000 yards of rayon fabric. In addition, 990,000 dozen garments have been allocated which will require approximately 20,000,000 yards of cloth.

Yarn allocations for export for the second half of the year are 2,850,000 pounds of cotton, 3,500,000 pounds of rayon, and 6,650,000 pounds of wool, a total of 13,000,000 pounds, which is about 1½ percent of the production. In addition, approximately 2,000,000 dozens of knitted items have been authorized, totaling some 7,000,000 pounds of various yarns. These range from small items such as socks and caps to underwear and sweaters.

These compare with the production figures, for the first 6 months, of 6,755,000,000 linear yards of fabric and 909,100,000 pounds of yarn. Mr. Walton estimated that the total production for the second half of the year should reach about the same figures.

While additional allocations for foreign shipment undoubtedly will be made in the remainder of the year, the total authorization should be about 5 or 6 percent of U. S. production, Mr. Walton said.

All these demands are carefully screened by the Government agencies involved and by the Textile Requirements Committee, which is made up of representatives of all claimant agencies, he said. Substitute materials have been accepted for export in a great many instances as a matter of cooperation.

"The quantities of allocations for export," Mr. Walton said, "are considered a definite and important part of the war program, and it is important for producers of the needed fabrics and yarns to cooperate with the export program and handle these orders quickly and properly. I feel that the essential needs of this country can be met, and at least most of the essential needs of our Allies, but we must think in terms of 'essential'."

Several improvements and extensions were made during the year to increase the supply of power available to the State Railways, municipalities, and other large consumers. Work also continued on the 14,000-kilowatt hydroelectric plant at Traryd on the Lagan River. This project was started in 1941 and is scheduled for completion by the autumn of 1944.

Manufacture of Electrical Products, Switzerland

The electrical-manufacturing industry in Switzerland had a less satisfactory year in 1942 than in 1941, mainly because of transportation difficulties and serious shortages of raw materials. Many foreign markets are now inaccessible, and domestic demands—never large enough to provide much work for the industry—decreased during the year.

Few export orders were accepted unless the buyers agreed to furnish necessary raw materials.

Foodstuffs and Allied Products

Agricultural Production in Switzerland

Agriculture is becoming increasingly important in Switzerland because of the difficulties of importing food. Approximately 64 percent more land was under cultivation in 1942 than in 1934.

Some sections of the country suffered from drought, and some from hail, in 1942, but, generally speaking, the weather was favorable. The total value of field crops for the year amounted to 661,000,000 francs, an increase of 22 percent over 1941.

Lack of imported feedstuff compelled many farmers to reduce their herds of livestock and poultry and this, in turn, was responsible for lowered production of meat, eggs, milk, and cheese. The value of livestock was reported as 1,123,000,000 francs—a drop of 3 percent from 1941.

Fruit crops were better than had been expected early in the season. The grape harvest was approximately 20 percent above the average for the last 10 years; the pear harvest about 13 percent above that of 1941; and the cherry crop about normal. The crop of marketable apples, however, was 30 percent below the 1941 crop.

Cocoa

Decreased Production, Bahia, Brazil

The Cocoa Institute of Bahia, Brazil, has lowered its estimates of the intermediate crop (which runs from May to September) from 600,000 to 350,000 bags of 60 kilograms each, and of the total crop for the year, from 2,000,000 bags to 1,700,000. Cold weather and too much rain are responsible for the revision of the estimates previously announced.

Exports of cocoa beans from the State of Bahia totaled 74,354 bags in July 1943, compared with 77,099 in July 1942.

The following table shows stocks on hand at the end of July 1943, movements during the month, and comparable figures for the preceding 3 years:

[In bags of 60 kilograms each]

Cocoa—	1940	1941	1942	1943
Arrivals	232,827	220,187	143,870	87,044
Exports	189,987	205,505	77,099	74,336
Stocks	55,871	45,347	208,869	249,915

Cocoa Yields in Dominican Republic

The summer crop of cocoa in the Dominican Republic yielded approximately 260,000 bags of 70 kilograms each—an exceptionally large harvest.

Though the quality of the summer crop was generally satisfactory, most producers and exporters are dissatisfied with the present condition of cocoa plantings. Much of the cocoa is produced by small farmers who do not wish to invest their limited capital in improving the trees and soil. Consequently, trees are allowed to grow in a semiwild state and many suffer from insect pests. The Dominican Department of Agriculture is cognizant of this situation and hopes to correct it through the work of traveling agents.

The next cocoa harvest will begin about November, and exporters are anticipating a yield of 110,000 to 120,000 bags.

Grain and Products

Argentina To Increase Plantings

The Argentine Ministry of Agriculture has requested that present production levels be maintained and that sowings of grain crops be increased wherever possible, the foreign press says. This is a reversal of the Government's former policy of requiring farmers to reduce acreages of certain crops.

Present stocks of corn are reported to be practically exhausted.

Grain Production, Saskatchewan, Canada

Based on conditions as of August 26, the following estimates of 1943 grain production in the Province of Saskatchewan have been prepared by the Saskatchewan Pool Elevators, Ltd.

Crop	Number of acres planted	Estimated production
		Bushels
Wheat	10,260,000	156,848,700
Oats	6,482,000	210,769,750
Barley	3,316,000	82,296,440
Rye	339,900	4,363,391
Flax	2,084,400	12,398,309

Ecuador's Bumper Rice Crop, 1943

If the Ecuadoran rice trade's estimate of 2,000,000 quintals (of 101.4 pounds) from the 1943 crop is realized, this year will be the most bountiful in the history of rice production in that country. Because former heavy shipments of rice from the Orient are no longer available

to the large rice-consuming population of Central and South America and the West Indies, Ecuador has found a most lucrative market for its surplus rice production in these countries.

Large quantities of rice have been exported this year to Panama, Cuba, and Peru, and indications are that Ecuador will export even larger quantities of rice in the next few months, if adequate shipping facilities become available.

Sugar and Products

Decreased Production in Dominican Republic

With the exception of two small mills on the north coast, all Dominican sugar mills have now ceased grinding. Almost the entire output of the two small mills still grinding is consumed locally.

Sugar production for 1943, as of July 31, was about 470,000 short tons.

Ecuador's 1943 Sugar Harvest

The 1943 Ecuadoran sugar harvest is estimated at about 10,900 short tons, as compared with 12,320 tons in 1942.

The sugar harvest in Ecuador is spread over a number of months—this year it commenced on July 15 and is expected to proceed until the end of December.

The 1942 harvest was one of the largest in recent years and was such as to permit a carry-over of approximately 2,535 short tons. Owing to this carry-over, it is hoped that it will not be necessary to import any sugar in 1943 or in the first half of 1944.

Yugoslavia's 1943 Sugar-Beet Crop

The sugar-beet harvest in "Croatia," Yugoslavia, was expected to begin about the first week of September, says the Nazi press. The crop suffered considerable damage from drought and insects at the beginning of the season, and new sowings were necessary in some places. It is believed that approximately 10 percent of the planted area was lost as a result.

Production from approximately 12,000 of the 19,000 cadastral jochs under cultivation will be handled by the sugar factory in Osiek (1 cadastral joch=1.422 acres). A second sugar mill, the Sladorance Joint Stock Co., also will be in operation this season.

Vegetables and Products

Tomato Exports From Canary Islands

Tomato exports from the East Canary Islands during the second quarter of 1943 amounted to 472,702 baskets of 12 kilograms net, or 5,672 metric tons net, according to an unofficial source. This is about 700 metric tons net below those of the corresponding quarter of 1942. Continental Spain received 421,954 baskets and Switzerland 50,748 baskets. The Las Palmas "spot price" for the packed basket of tomatoes, 12 kilograms net, in the continental Spain trade averaged approximately 15 pesetas.

Soybean Production in Yugoslavia

Soybeans are becoming an increasingly important crop in "Croatia," Yugoslavia, says the Axis press. Soybean cultivation amounted to 7,411 hectares in 1941 and 9,308 hectares in 1942.

Furs

Heavy Demand at Canadian Sale

Hectic bidding marked the August 18 sale of Little Bros. Fur Sales Agency, Ltd., Vancouver, British Columbia, Canada, and all offerings were quickly sold, at prices not attained since 1919–20.

Muskrat pelts totaling 20,000, were offered at prices of $2.60 to $4.09 indicating an advance of 25 percent. Beaver (1,500 skins), cross fox (100 skins), white fox (1,800 skins), and lynx (100 skins) advanced 10 percent. Beaver pelts brought prices of $18 to $74; cross fox, $18 to $60; white fox, $16 to $47; and lynx, $25 to $100.

Iron and Steel

Japs Claim Production Records in Manchuria

New iron-production records will be established by the Tungpientao Development Co., in Manchuria, as the result of improved transit and loading facilities and new refining methods, states the Japanese radio. Expansion plans for the company's high-grade steel plant have been announced, and the completion of a number of small blast furnaces is scheduled for September.

Leather and Related Products

Manufacture in South Africa

A recent 20-percent cut of army-boot requirements enabled factories in Port Elizabeth, South Africa, to work on civilian orders, some of which were of a year's standing.

Export of hides suitable for use by South African tanneries has now been restricted by the Controller of Leather, a step which is expected to ease the shortage of light, vegetable-tanned leather for outsole use. Tanners are using dry-salted and sun-dried hides to make up for lack of sufficient wet-salted hides.

Lumber and Products

Canadian Exports

Exports of lumber from Canada to the United Kingdom during the first 5 months in 1943 were more than triple the total for the corresponding period in 1942, states a British lumber magazine.

Shipments to the United States for the first 5 months of 1943, however, were less than half the 1942 figure for the corresponding months.

Reforestation in Canada

As an addition to British Columbia's reforestation program, a location has been chosen for a third forest nursery, on Vancouver Island, near Duncan, a Canadian industrial journal reports.

The nursery will occupy 20 acres of land and will have an ultimate capacity of 6,000,000 trees. During the past season, 6,000,000 trees were planted in the Province on 7,000 acres, bringing the total to 25,000,000 trees planted on 29,000 acres.

Output of Forest Products, New Brunswick, Canada

New Brunswick's output of forest products in 1942 amounted to $56,000,000, an increase of $14,000,000 over 1941, the Canadian lumber trade reports.

Sawn-lumber production totaled 300,000,000 board feet, about two-thirds of which was exported. Veneer and woodworking plants had an output valued at $3,000,000.

Six pulp-and-paper mills in the Province accounted for the largest share of the 1942 total—$30,000,000—of forest products.

Balsa Production in Costa Rica

Surveys have indicated that Costa Rica's balsa production in 1943 may be a substantial addition to the major supply from Ecuador, the foreign press reports. The yield this year is expected to run from 2,000,000 to 4,000,000 board feet.

International Balsa plans to operate a 1,500-acre plantation in Costa Rica for experimental work on the cultivation and commercial production of balsa.

France Receives Wood from Finland

Considerable interest attaches to the arrival in France this year of a shipment of Finnish wood, say European trade press reports.

Exports of wood to France from Finland and Sweden ceased at the beginning of the war, and this cargo is practically the only one received of Finnish origin. Although the quantity was small—about 1,200 standards (1 standard=1,980 board feet)—the sale has been noted by Finnish and Swedish exporters, it is stated.

Door Manufacture Standardized, New Zealand

As a war measure to conserve timber and labor, the manufacture of doors will be standardized in New Zealand, according to an announcement by the Minister of Industries and Commerce. A specification has been prepared by the New Zealand Standards Institute.

Nicaraguan Andiroba May Be Substituted for Mahogany

Andiroba, a tropical hardwood found in Nicaragua, may prove a substitute for mahogany in the manufacture of plywood for mosquito boats and aircraft.

The tree, which also is known locally by the names "pochote" and "cedro macho," averages 100 feet in height and probably belongs to the mahogany family. It grows in the eastern part of Nicaragua along the streams and on low hillsides and is found in many places near the coast where mahogany has been cleared out.

Samples of the wood have been sent to the United States for testing, and it is hoped that experiments will show it to be suitable for plywood construction. If the results are satisfactory, about 2,000,000 board feet of andiroba could be shipped within a 12-month period, it is estimated.

Sweden Sells Plywood to Switzerland

A substantial increase has been recorded in sales of Swedish plywood to Switzerland, the European press reports.

The Swiss market has shown great interest in fir plywood from Sweden, it is stated. An expanding export trade seems likely despite the somewhat unusual specifications requested by Swiss buyers.

Machinery, Other Than Electrical

Manufacture in Switzerland

Lack of raw materials handicapped the Swiss machinery industry in 1942. Orders in most cases exceeded production capacity, and ordinarily export orders were accepted only on the condition that the buyers furnish necessary raw materials.

Manufacturers of precision tools and machinery appear to have little cause to worry. They have ample skilled, technical labor, and their products are in demand throughout Europe. So long as other countries are able to supply raw materials, most of these firms should be well employed.

Motion Pictures and Equipment

Theater Showings in Aden, Arabia

Aden, Arabia, has six privately owned and operated motion-picture theaters, one in the district known as Khor Maksar; two in the European district, Steamer Point; and three for Arabian and Indian audiences in Crater. Seating capacity ranges from 200 to 1,000, and total yearly attendance is estimated to be about 400,000.

The theater in Khor Maksar presents two performances each evening—the first, a British or United States film, and the second, an Indian picture. The other theaters ordinarily have one showing, beginning at 7:30 p. m. Matinees are rare.

No films are produced domestically; all are imported from the United States, Great Britain, India, and Egypt, and are usually from 3 to 6 years old when they reach Aden. The following table shows the approximate percentage of each type of film supplied by these countries:

Source	Features	Newsreels	Shorts
	Percent	*Percent*	*Percent*
United States	70	30	60
Great Britain	20	60	30
India and Egypt	10	10	10

Action pictures, especially war stories, are preferred by Arabian and Indian audiences. These people are very demonstrative, laughing, shouting, clapping, and freely expressing their feelings as the picture progresses. They are easily pleased, and are not at all critical of the films presented.

European residents attend the theaters regularly but give little expression to their reactions to the films. They prefer love, adventure, and historical pictures, and would rather see a film that helps them forget the war than one dealing with the war.

Educational films and animated cartoons are shown in the European theaters but seem to have little appeal elsewhere.

Films shown in Aden are not dubbed, nor are subtitles superimposed. All pictures exhibited in the European theaters are in English; those shown in the other theaters are in English, Indian, or Arabic.

U. S. Films Popular in Chile

Motion pictures are reported to be the favorite form of entertainment in Chile. There are approximately 290 theaters, but most of them are rather small, their average seating capacity being between 400 and 500. About two-thirds are open daily, usually for two performances; the others are open two or three times a week.

Approximately 400 feature films, most of them United States productions, are released in Chile annually. In 1942, the United States supplied 343 features; Argentina, 34; Mexico, 16; Spain, 14; and Great Britain, 7. Three features made by Chilean companies were presented during the year.

News reels and shorts are received regularly from Argentina, Great Britain, and the United States, and, previously, a few were imported from Germany and Japan. Twenty-four news reels, 4 shorts, and 1 animated cartoon (Chile's first) were produced domestically in 1942.

Cultural and educational films are also shown in schools, institutions, and public gathering places. From February through December 1942 more than 1,000 performances of this type were given before groups averaging 270 in number.

In general, United States films are the most popular shown. In rural areas, however, films from Argentina and Mexico are often preferred because they are in the Spanish language. Films with superimposed Spanish titles are more successful than "dubbed" films.

It is estimated that 90 percent of the projection equipment used by Chilean

Nippon's Useless Treasures

Harassed by shipping shortages, the Japanese have virtually admitted their inability to utilize fully the vast rubber resources of the Netherlands East Indies and other occupied rubber-producing areas.

A recent Tokyo broadcast said that it had been necessary to introduce a quota system for rubber plantations in Java in order to keep "domestic production and consumption in perfect balance." Possibly as a preparation for this announcement, Tokyo 2 days earlier broadcast a statement that rubber production in Java had "increased tremendously" and that the output had also risen in other parts of the Indies.

The broadcast also said a "rubber trust" had been formed to control native production in Malaya and Sumatra. It was declared that the trees would remain the property of the natives, "but the output will be acquired by the military administration, in accordance with certain regulations."

theaters was manufactured in the United States.

Nonferrous Metals

Gold Output of Chile

Output of gold in Chile in April 1943 dropped to 487.2 kilograms from 496.2 kilograms in March.

Gold ore of a grade too low to warrant shipment to purchasing centers for refining is to be treated by a pilot plant belonging to the Mining Credit Bank of Chile.

Production of Ferro-Alloys in Japan

The output of ferro-alloys in Japan Proper in April and May of this year averaged 50 percent greater than it did a year ago, claims the Japanese press. Production increases of 200 percent for ferrochrome and 20 percent of ferromanganese were announced by the Ferro-Alloy Council, which last year created production schedules and allocation quotas.

Copper Deposit Discovered in Manchuria

The discovery of a copper deposit in the mining district of Mapaokou, Tsingchengtze, Antung Province, Manchuria, is reported by the Japanese radio. Analysis of the black ore, which has a luster slightly inferior to that of lead ore, shows a 2 percent copper content. It is thought that this deposit may be connected with the copper mine at the top of the Pehtachekeng.

Large Bauxite Deposits in Mozambique

A recent survey of bauxite deposits in the Manica district of Mozambique disclosed reserves of 2,400,000 tons, says the European press. However, only 68,000 tons can be exploited at present.

A large part of the bauxite production is exported for conversion into aluminum sulfate.

Copper Mining in Netherlands Indies

Newly discovered copper fields in southern Celebes, Netherlands Indies, are soon to be worked on a large scale, according to statements by the Japanese radio. Both open-cut and regular mining methods will be used.

Aluminum Production in Spain

The Spanish company Empresa Electro-Mecánica de Cordoba is erecting a new plant to produce 8,000 tons of aluminum annually, the European press reports.

Sociedad General Española de Aluminia, S. A., is increasing its yearly output to 2,000 tons.

Oils, Fats, and Oilseeds

Vegetable-Oil Production in Canada

There were 10 vegetable-oil plants in operation in Canada in 1942. Quebec had 4; Ontario and Manitoba, 2 each; and the Provinces of Alberta and British Columbia accounted for the remainder, says a report from the Dominion Bureau of Statistics. A capital investment of more than $3,500,000 was represented in these firms which paid $7,624,294 for materials used and $458,220 for salaries and wages to 351 persons.

The selling price of products at the factory was $9,481,450. Linseed oil accounted for 55 percent of this value; oil-cake meal, 25 percent; and soap, less than 1 percent. None of the establishments reported produced less than $50,000 worth of vegetable oils in 1942 or 1941.

In 1942 all of the 3,388,195 bushels of flaxseed, which accounts for almost three-fourths of the material used by the industry, were of domestic origin. This represented a growing independence, since more than half of the total flaxseed used in 1939 had been imported.

The 1942 figures represent gains over those of 1941, when 10 establishments reported a capital investment of $112,399 less than the 1942 assets, and they paid $412,125 as working compensation to 313 persons and $6,180,424 for materials.

There were 800,000 gallons more of linseed oil and 7,000 tons more of linseed oil-cake meal produced in 1942 than in 1941.

Japs Try Hemp for Soldiers' Garments

Silk, the only clothing textile fiber which Japan has in abundance, has many wartime uses, but that country finds it of no utility in supplying clothing for its armed forces. Other clothing fibers being unavailable, as evidenced by Japan's frantic efforts to introduce or expand cotton cultivation in Burma, Thailand, the Philippines, and elsewhere, garments to be sent to soldiers in the South Pacific are now to be made from *hemp*, reports the Domei (Japanese) News Agency.

Manila hemp is cut into bits of about 1 centimeter, and is treated with caustic soda. After mixing with 20 percent of paper pulp, it is run through a specially devised thread-twisting machine. A strong thread, suitable for weaving, is claimed as a result of this process.

The Japanese say they hope to produce material for badly needed gauze, as well as other medical items, by mixing the new product with staple fiber threads.

Ceylon's Production and Exports of Coconut Oil

Coconut-oil production in Ceylon for the first 6 months of 1943 is estimated at 41,700 long tons; production for the second half of the year is expected to be 1,300 long tons greater. Of the output for the latter half of the year, about 40 percent will be consumed locally, allowing for a remainder of about 25,000 long tons as an exportable surplus.

Availability of shipping and storage space, the copra supply, and crushing capacity of oil mills are contributing factors which actually determine coconut-oil production.

The shipping problem is of extreme importance. Because no drums are available, all coconut oil is now shipped in bulk. The advantage of this method is that there is no loss of shipping space; the disadvantage is that the oil can be placed only in ships which have deep storage tanks and which are going to ports which, also, can handle the oil in bulk.

Since considerable time (usually 4 days) and expense is involved in cleaning the tanks and in transporting the bulk oil to and from the ships, copra is often loaded instead of coconut oil, even though copra takes half again as much space. Stowage on the boats becomes available irregularly and infrequently and, because the total capacity of the Island's storage tanks approximates only 5,000 long tons, when proper shipping is not at hand and the storage tanks are filled, production must slow down until there is again space in which to place the oil.

If more storage space were obtainable, Ceylonese mill owners estimate that they could increase their production more than 10 percent, and, if machinery replacements could be made available to them, another 15 to 20 percent production rise would be possible.

It is highly improbable that millers could purchase copra at prices half again as high as the control price and still be able to produce oil cheaply enough to maintain their market; therefore, if it were not for the order that Ceylon's Commissioner of Commodity Purchase must be the sole buyer of all exportable Ceylon copra, the Indian copra market, which can pay higher prices, would probably have drawn most of the commodity from the local crushing mills.

The total production of poonac (a by-product of the crushing of copra to produce coconut oil) during the first half of 1943 is expected to be 21,500 long tons; the estimated output for the second half will be about 20,900 long tons. Exports of poonac in 1943 thus far have been nil. Previously, most of the commodity had gone to Belgium and other Northern European countries; at present the Ceylonese are consuming most of their own poonac.

Oilseed Consumption and Marketing, India

Prices of oilseeds in India during the second quarter of 1943 reached a new high level as the result of a strong demand and anticipation of a governmental order restricting speculation, which did become an actuality in regard to peanuts, linseed, mustard seed, and rapeseed, before the quarter ended. Most active was the Bombay market where the local government eventually froze stocks and restricted the export of peanuts, peanut oil, and cottonseed. There, the trade, too, became alarmed, and, as a result, fixed its own maximum and minimum prices. The Calcutta market, however, was relatively steady, the leading buyers being the seed-crushing mills.

Consumption of peanuts in Bombay for the quarter ended June 30, 1943, was estimated at more than 60,000 long tons, 111 percent of the preceding quarter, while stocks of peanuts in the Madras and Bombay areas at the end of the second quarter were said to be 45,000 long tons, about 78 percent of which was in Madras. The 1943 summer crop of peanuts had been harvested, and it was thought that the yield would bring an exportable surplus of approximately 35,000 long tons.

An added use was discovered for peanut oil when an invention, which enables an automobile to operate on any liquid fuel including vegetable oils, was demonstrated. The driver of the experimental car drove 52 miles, using slightly less than 2 gallons of the product, and the machine reached a speed of 35 miles an hour during the test.

Although the Government's restricting order does not include castor-beans, it served to discourage speculation, and by the end of the second quarter there was a definite sign of decline in castor-bean prices. According to a trade source, there were 9,750 long tons of castor-beans consumed in the Madras area and 1,800 long tons in the Bombay district. At the end of the second quarter there was an exportable surplus of 5,000 long tons from the Madras area; 2,000 long tons from the Bombay area.

Calcutta does not produce castor-beans, but stocks from surrounding districts center there. The first of April those stocks amounted to 500 long tons, but they had completely diminished by the first of July.

Stocks of castor oil in Calcutta, on the other hand, at the end of June 1943, were about 150 long tons and, while the market was good, it was becoming increasingly difficult to procure containers.

Sharp fluctuations were the outstanding characteristic of the Bombay linseed market during the second quarter of 1943. Excluding stocks sold and awaiting shipment, there was an estimated 12,000 long tons of linseed held at Bombay. Arrivals for the first 6 months were believed to be about 4,500 long tons or more than 92 percent less than during the corresponding period of the preceding year. Calcutta stocks almost totally disappeared by the end of June 1943, but 3 months earlier the quantity on hand averaged 3,000 long tons. About 4,000 long tons of linseed were used at Bombay during the second quarter, compared with 1,350 long tons from January through March. This rapid rise was attributed to a substantial paint order from the Government and to purchases from Calcutta, where domestic consumption also expanded. In the latter area there were 1,000 long tons of linseed oil.

Almost the entire production of rapeseed and mustard seed at Calcutta was consumed in that district, but stocks of rapeseed at Karachi at the end of June were said to be more than 7,400 long tons. Bombay had only 100 long tons of both rapeseed and mustard seed on hand.

Transactions of cottonseed were virtually at a standstill after the government of Bombay issued an order prohibiting the transmission of more than 10 bags of the commodity from the city. Previously there had been other limitations of a similar nature.

Puerto Rican Shark Oil Valuable

Shark oil from Puerto Rico has recently been tested at the School of Tropical Medicine and found to have a vitamin A content of 13,000 to 14,000 Sherman units per gm. Cod-liver oil usually averages from 800 to 1,000 units. Vitamin D, however, was only 25 percent as great as average cod-liver oil (50 units per gm. compared with the usual 200).

Switzerland's Reserve Stock Diminishing

Reserves of fats and oils in Switzerland are becoming exhausted, and there seems to be no immediate possibility of renewing them while the war continues. About 1,200 hectares were devoted to the cultivation of rapeseed and poppy seed, and 160 hectares to the planting of hemp and flax, but these are expected to be insufficient to meet the need.

"I'LL CARRY MINE!"
A CALL TO ARMS
If you've the strength to elbow
And be elbowed in the stores,
You also have the strength to do
Some bundle-toting chores.
Don't make the trucks deliver
When you're muscular enough
To save the rubber and the gas
By carrying your stuff.
Just bear in mind each trip you put
Upon their tires today
Is one less trip left in them
As the rubber wears away.
And next year, madam, maybe,
When you're wearier and older,
And need a bureau sent,
You'll have to lug it on your shoulder.
So be a patriotic sport,
And use your sense of thrift.
And every time you're able,
Give your packages a lift.
—Margaret Fishback.
Ribbon for OWI
V-356

Petroleum and Products

Gasoline Shortage in Switzerland

As a result of the gasoline shortage, most private cars in Switzerland have been either removed from the roads or adapted to the use of charcoal, methane gas, or carbide. Since 1938 Switzerland's imports of gasoline have dropped nearly 75 percent.

Railway Equipment

Netherlands Railways Replacing Old Stock

The Netherlands Railways have announced the order of 11 of the latest type of four-car electric units, states a foreign transport journal. These are to replace the old electric rolling stock in service since 1907 on the Rotterdam, Hague, and Scheveningen line.

New Streetcar Operating in Philippine Islands

The latest streamlined addition to the fleet of streetcars in Manila, Philippine Islands, was placed in operation in May 1943, a Japanese broadcast reports. The car is equipped with a 200-horsepower motor and three doors, one at each end and one in the center. It is reported to be large and roomy.

Shipbuilding

Australia's Construction Program

Under a program recently announced by the Minister for Navy and Munitions, Australian shipyards will build more than 120,000 tons of shipping for interstate and island trade, states the British press.

When completed, the fleet will include 30 fast ships—10 each of 6,000 tons, 4,000 tons, and 2,000 tons. The total cost will be £40,000,000.

Wooden Ships to Operate in China

Japan is building a fleet of wooden vessels for service in North and South China, say Japanese radio broadcasts. The first of a new type, launched at the Kiangwan yards at Shanghai, has been placed in service between Hongkong, Shanghai, and North China. To augment facilities between Shanghai and South China ports, the Chung Hwa Co. will put oceangoing steamers into service. The company claims that soon a large number of wooden vessels will be operating on various coastal routes and that the steamer *Tehping* will resume the Shanghai-Ningpo run.

Motor Launches Completed, Colombia

The Government-controlled shipyard at Barranquilla, Colombia, has completed two motor launches of 15 tons each and two others of 40 tons each, says the foreign press.

Several larger ships are under construction, it is reported.

Shipbuilding in Netherlands Indies

Several wooden vessels for coastal service have been built and launched by a shipbuilding yard in Soerabaya, Nether-

lands Indies, states the Japanese press. The engine in the newest vessel is also of local manufacture. The yard is reported to be attempting the building of ocean transports.

Special Products

WATCH MANUFACTURE IN SWITZERLAND

The Swiss watch industry did not operate at maximum capacity in 1942, but production was considered satisfactory in view of world conditions. Domestic demand was good but did not compensate for loss of foreign markets.

Shortages of raw materials, especially for watch cases, was a serious problem and production quotas were established as a conservation measure.

MANUFACTURE OF BICYCLE TIRES AND TUBES, THAILAND

Bicycle tires and tubes are now being manufactured in Thailand, say Japanese broadcasts. This is a new industry for Thailand, but Tokyo claims the tires are superior in quality to those formerly imported, and lower in price.

Textiles and Related Products

Cotton and Products

REDUCED ACREAGE PLANTED IN NICARAGUA

Cotton planting in 1943 seems to be definitely on the down grade in Nicaragua. Early reports indicate that only 2,500 acres have been set aside for this crop, which would be the lowest acreage for the past several years.

Exports of cotton are mounting, and if the present rate is maintained, 1943 bids well to break all previous records.

SYRIA'S 1943 COTTON PRODUCTION

Approximately 14,000 hectares are reportedly devoted to cotton cultivation in Syria this year, compared with 12,000 hectares in 1942. (1 hectare=2.471 acres.)

Unusually low temperatures and heavy rainfall have adversely affected the yield, and estimates place the cotton crop at some 2,500 metric tons, or from 10 to 15 percent below the 1942 harvest.

No cotton exports have been reported, and domestic factories and hand industries are expected to consume the entire crop.

COTTON SITUATION IN U. K.

Demand for cotton goods in the United Kingdom remained in excess of production throughout July, even though output was confined to Government requirements, utility textiles, and exports to selected markets.

To attract new workers, a "Call to Youth" campaign was conducted in the Oldham area. Senior school children, their parents, and teachers were invited to attend lecture-demonstrations in spinning and weaving, followed by exhibitions and films stressing the advantages of selecting the cotton trade as a career.

Exports of cotton yarn have fluctuated very little in recent months. In the second quarter of this year, according to published figures, 4,783,000 pounds were shipped abroad, compared with 4,677,000 pounds in the preceding quarter, and 4,554,000 pounds in the second quarter of 1942. Cotton-piece-goods export shipments of 108,413,000 square yards in the second quarter of 1943, showed an increase of 26,283,000 square yards over the preceding quarter's exports of 82,130,000 square yards, but did not attain the total of 117,874,000 square yards shipped in the second quarter of the preceding year.

Synthetic Fibers and Products

GERMANS CLAIM DEVELOPMENT OF NEW TYPE OF FIBER

Germany's synthetic-fiber industry claims to have developed a new type of hollow viscose staple fiber, states the Nazi press.

Little knots divide the hollow interior into separate air pockets, thus reducing heat conductivity. Described as a "breathing fiber," and given an artificial crimp to imitate the structure of wool, this "H" type fiber is said to be a vast improvement over earlier attempts, which admittedly had a high degree of heat transmission. It is smoother and less brittle than the previously produced hollow fibers, which broke easily.

JOINT COMMITTEE FORMED IN U. K.

Recognizing the close relationship of the two industries, a Joint Cotton and Rayon Committee has been established by the newly created British Rayon Federation. This committee will be made up of five representatives of each industry, and will collaborate on problems confronting the cotton and rayon industries, particularly those relating to the future.

Yarn supplies decreased further in July, to a point where they were inadequate to meet the demand. Prices remained steady, but further restrictions were made on yarn available for the domestic utility trade.

Exports of rayon yarn in the second quarter of this year, according to published reports, totaled only 3,208,000 pounds, compared with 4,425,000 pounds shipped in the preceding quarter, and 4,544,000 pounds in the second quarter of 1942. Rayon piece goods improved in the second quarter, when 20,945,000 square yards were exported. In the preceding quarter, exports aggregated 18,598,000 square yards, but in the second quarter of last year, they totaled 35,336,000 square yards.

Wool and Products

PRODUCTION AND CONSUMPTION IN IRAN

Wool production in Iran is estimated at 12,000 metric tons for the year ending March 20, 1944, or the same as in the preceding year.

Domestic consumption has increased and is expected to total between 8,000 and 10,000 tons.

Stocks at this time are said to run from 7,000 to 8,000 tons.

Domestic buying and higher values of home-made textiles have boosted prices to from 10,000 to 34,000 rials per ton. At the last reporting, in April, prices ranged from 8,000 to 30,000 rials per ton. (The selling rate for the rial is 32.50 and the buying rate 32 to the dollar.)

WOOL SITUATION IN SOUTH AFRICA

By the close of the 1942–43 season in June, approximately 300,000 bales of wool were sold in South Africa.

Net returns for the year exceeded those of the preceding season, even though the clip was lower. Unusually dry weather and heavy sales of sheep for food are said to have cut down the level of production.

Difficulties were encountered in marketing the current mohair clip, because of scarcity of shipping space. Prices, however, remained steady, and most of the best quality and a moderate quantity of the lower-priced types were sold.

SOUTH AFRICAN FACTORIES ACTIVE

Army contracts have kept South African blanket factories operating at full

Italy Reported To Have Good Wheat Crop

Despite the war, the Italian wheat crop this year is believed to have been fully as large or even larger than the pre-war average, says the U. S. Department of Agriculture's Office of Foreign Agricultural Relations. Based on weather and crop reports which indicated generally good yields, and on reports of increased acreage compared with last year, the 1943 crop may have amounted to as much as 280,000,000 bushels.

That estimate compares with unofficial estimates of 268,000,000 bushels from 13,000,000 acres last year and with the average of 267,000,000 bushels from 12,517,000 acres for the 5-year period 1933–37. Seeding last fall was accomplished under generally favorable climatic conditions. The weather during the winter was mild, and moisture conditions were reported good. Spring grain also was sown under advantageous conditions. Although a labor shortage was reported at harvest time, June and July, threshing results were said to have been excellent.

In 1938 almost 39 percent of the total arable land of the country was used for wheat. This made wheat the most important single crop grown in Italy. In that year, when the crop amounted to 297,000,000 bushels, 60 percent of it was produced in northern and central Italy. Only about 10 percent of the Italian crop normally is produced in Sicily.

capacity. However, urgent civilian requirements have prompted the release of a large quantity of wool, and factories have recently diverted part of their equipment to production of general utility blankets.

Miscellaneous Fibers

Carpet Sales Reduced in Iran

Shipping difficulties and high prices of raw materials have brought sales on the Iranian carpet market to a low ebb. Stocks are reported to have increased 20 or 25 percent.

Designs suitable for the domestic trade are now being used by manufacturers.

U. K. Manufacturing Activity (Scotland)

Jute spinners and manufacturers in Scotland continued busy on present contracts during August, but new business was limited.

The raw-jute market was quiet, with a sharp drop in prices.

Flax spinners and manufacturers were busy on Government requirements. Ordinary linen goods was manufactured on a limited scale only.

Eire's 1943 Flax Crop

This year's flax crop in Eire ripened earlier than usual and appears to be of better-than-average quality.

Scutching and retting facilities have steadily improved.

Flax Production in Peru

Flax cultivation in Peru has dropped to 11,162 hectares for the 1943–44 season, from a high of 15,843 hectares in 1942–43.

Based on the encouraging progress of the plants, higher yields are anticipated.

About 2,200 metric tons of fiber are now estimated for the 1942–43 crop.

Wearing Apparel

U. K.'s Rationing System To Be Revised

Stocks of low-grade utility clothing are accumulating in the hands of both wholesale and retail dealers of the United Kingdom. Consumers prefer to purchase higher-quality fabrics, inasmuch as all fabrics and clothing, regardless of price, require the same number of coupons.

To ease this situation, announcement was made about the middle of August, that coupon pointing will be revised so as to be based on retail prices, fewer coupons being required for certain qualities of cloth and clothing.

The average level of retail-clothing prices has again declined. Taking September 1, 1939, as a base, the July 1943 figure was only 67 percent higher, compared with 68 percent in the preceding month, and 95 percent on July 1, 1942.

Tobacco and Related Products

Production in Canary Islands

The 1943 crop of leaf tobacco in the East Canary Islands is roughly estimated at 150 metric tons. Estimates of the 1942 crop ranged between 70 and 100 metric tons.

Growing of leaf in this island group is confined almost exclusively to the Grand Canary Island, where tobacco factories normally consume about 1,500 metric tons. Imports have been small for some time, owing to transportation difficulties. Consequently the end of 1942 found stocks greatly depleted. The leaf shortage has been relieved since February 1943 by several important arrivals of foreign tobaccos.

Official OWI Photo

Tobacco Growing in Rumania

It is estimated that 25,000 hectares were sown to tobacco in Rumania in the spring of 1943.

Waxes

Production in Brazil

Production of carnauba wax in the State of Ceara, Brazil, came to 2,050,778 kilograms in 1942, or 42 percent less than in 1941, and 42 percent less than the 1937–41 yearly average. The demand for the wax, however, was so strong that, despite lower production, its total value in 1942 was 52,336,870.74 cruzeiros (official rate, 16.5 cruzeiros=1 dollar), only 42,668 cruzeiros less than the year before, but 23 percent more than the 1937–41 average value.

The annual production of beeswax in the State of Ceara, Brazil, averages about 15 tons yearly. Most of this goes to South Brazil, since the price there is more than twice that offered by the United States.

Inter-American Highway

(Continued from p. 13)

ditions, expected in lesser degree but occurring far beyond anything previously contemplated. It was known from reconnaissance surveys carried out over wide areas in southern Costa Rica that the construction there would probably be the most difficult between Mexico and the Canal Zone. It was thought that the elevations already reached in Mexico and Guatemala would exceed anything required to get over the continental divide in Costa Rica. But the section between Cartago and San Isidro del General in Costa Rica is *by far the most difficult to construct between Alaska and the Canal Zone.*

The altitude at the pass as developed by instrument surveys is 10,931 feet, about 400 feet higher than any other point along the route. There are about 30 kilometers of heavy rock excavation along the highest part of the line where a volcanic dike rises through the sharp slopes of the cordillera and comes so close to the surface as to enter the road prism throughout a long series of cuts. This source dike makes the descent from the pass to within about 15 kilometers of San Isidro extremely difficult.

The average excavation for 27 kilometers will exceed 157,000 cubic meters a kilometer, and one kilometer will run above 366,000 cubic meters. This is roughly 760,000 cubic yards a mile. Engineers of the U. S. Public Roads Administration who are familiar with the heaviest highway construction in the United States over the Rockies and in the high Sierras pronounce this section the heaviest road work ever encountered anywhere.

No Easier Route

Reconnaissance conducted at intervals over several years in a fruitless effort to pierce the coast range on a more favorable route through a mythical low pass, convinces all concerned that with the well-known Meseta Central and the Valley of El General River as objectives no better route can be found. Shunk, who was in charge of the Intercontinental Railroad surveys in the late 1880's, did not attempt to reach either objective, declaring the latter altogether too difficult even to attempt.

The highway over the Continental Divide between Cartago and San Isidro, about 94 kilometers in total length, will start at an elevation of about 5,000 feet, climb to 10,931, and descend to 2,500 feet at San Isidro—that is, climb a mile up and a mile and a half down.

Scenic—But Challenging

To have constructed a pioneer road across this area would be about as difficult to build to final width—provided, of course, the final line was to be followed. To have abandoned the final proposed line in favor of one following around the contours would have resulted in a road dangerous in the extreme, if indeed *possible*, in view of the sheer rock precipices that occur intermittently throughout the higher altitudes.

So through this section, included in the Mills contract, the standard line will be followed with some concession in the proposed standard grades. When completed, this section will constitute one of the most scenic and impressive stretches on the entire line from the United States to the Canal. The Atlantic and the Pacific will both be visible from the top at many points—the Pacific more than 30 miles away, and the Atlantic over 50.

Expectations Revised

Owing to the slow start and the continuing difficulties of transportation of equipment, supplies, and materials, the original program for the Inter-American Highway will not be possible. But the road will be constructed as either a pioneer or a standard highway across Guatemala, Salvador, Honduras, Nicaragua, and Panama by July 1, 1944, and Costa Rica should be through by July of the following year. Probably a pilot road, sufficient for the passing of construction equipment, will be completed in the Costa Rica section this year, 1943.

Following the completion of the pioneer-road sections, standard-road construction will proceed without interruption. The surface will be widened to 6 meters and the grade to 9. The profile will be corrected where necessary to conform to the standard specifications of 6 percent and compensated 7 percent where necessary. Temporary structures where now introduced will be rebuilt in permanent form, and the entire surface will be finished with a bituminous penetration or surface treatment. The total length on the combined standard and pioneer route from the Suchiate River at the southern Mexican frontier to Balboa Basin in the Canal Zone will be 2,561 kilometers.

News by COUNTRIES

(Continued from p. 19)

and tires, and many busses operating on gasoline were replaced by busses using other fuels. Busses propelled by methane covered 87,285 kilometers, and those operating on wood gas covered 484,132 kilometers, as against 354,515 kilometers in 1941, states a foreign transport publication.

Traffic figures for 1941 and 1942 are as follows:

Type of service	Number of passengers carried	
	1941	1942
Tramway	88,558,000	94,869,000
Bus	3,385,000	3,268,000
Coach	77,000	58,000
Trolley bus	1,597,000	2,367,000

Turkey

Tariffs and Trade Controls

Transaction Tax Again Increased.—The transaction (sales) tax collected in Turkey on most imported and domestic products has been increased from 12.5 percent to 15 percent ad valorem by law No. 4415 of May 18, 1943, according to the Board of Trade Journal London, August 21, 1943.

[See FOREIGN COMMERCE WEEKLY of September 12, 1942, for announcement of a previous increase in this tax.]

Uganda

Wartime Commodity Controls

Rubber Production To Be Increased.—The production of rubber has been placed under official control by an order in the Uganda Gazette of March 31, appointing a rubber production controller to increase the production of this commodity.

A committee was also appointed to advise the controller on all matters pertaining to the regulations on rubber production.

The controller may direct the tapping of both para and wild rubber trees and vines by the owners or lessees. If their operations are unsatisfactory, he may institute government production from their plantations, utilizing the equipment and plant of the owners or lessees, who are not to receive compensation unless the Governor otherwise directs. The production, care, and sale of rubber are entirely under the supervision of the controller who may call for any information necessary to the efficient administration of the regulations.

Swiss Railways' Record

The Swiss Federal Railways carried an all-time record number of passengers during 1942, namely 158,600,000 (15,140,000 or 10.6 percent above 1941). Private railways reported a bad year owing to lack of tourist traffic.

Value of fares for the Swiss Federal Railways totaled 176,000,000 francs, or an increase of 8.9 percent above 1941. (These increases were due to the cessation of practically all automobile traffic.) An attempt was made to curtail traffic by withdrawing many extra trains, cheap excursions, and return tickets.

Freight traffic amounted to 22,300,000 metric tons, or a decrease of about 1,000,000 tons. Receipts showed a drop—274,900,000 francs as compared with 278,400,000 francs in the preceding year.

United Kingdom

Wartime Commodity Controls

Retail Distribution of Alarm Clocks.—Arrangements have been made for the retail distribution of alarm clocks which are being imported from Canada and the United States. They may be sold only to persons holding buying permits. These permits are issued only to certain classes of workers. The first issue will be made to railway workers and road passenger transport workers. The price charged by the retailer for the clocks will be 16s. 9d.

Changes in Clothes Rationing.—The British Board of Trade has made the following changes in clothing point values: Men's woolen socks, stockings, and three-quarter hose are reduced to 2 coupons per pair; men's boots and shoes are increased to 9 coupons per pair, and men's slippers and certain sport shoes to 5 coupons per pair; men's wooden-soled footwear is rated at 7 coupons per pair; women's nonwoolen seamless stockings are reduced to 1½ coupons per pair; women's three-quarter hose and woolen socks are reduced to 2 coupons per pair; women's boots and shoes are increased to 7 coupons per pair; women's wooden-soled footwear is rated at 5 coupons per pair; and slippers and certain sport shoes are increased to 5 coupons per pair.

New Jap Daily for Sumatra?

The first issue of a Japanese daily newspaper, Sumatra Shimbun, was scheduled to appear June 8 in Padang on the west coast of Sumatra, according to Japanese broadcasts. The paper is being published by Shonan Shimbunkai, an organization established in Singapore last year by Domei News Agency and about 13 Provincial Japanese newspapers.

Merchant Shipping of the U. S. in Wartime

(Continued from p. 10)

voyage requiring turnarounds up to 8 months.

Dilemmas Are Tackled

The fact that the war requires us to export a much greater volume of tonnage than we import is the basic dilemma in routing ships. The vessel which discharged steel in India might well pick up jute, burlap, or coconut oil, all of them domestic necessities in the United States. Yet it takes a month or more to load in Bombay, but only 1 day to send her back in water ballast.

Triangular courses are sometimes possible. Ships carry supplies from the west coast to Australia, go in ballast to Chile, bring copper and nitrates back to the west coast. Ships discharged in India sometimes return the long way via the West Indies to pick up bauxite, and then to an Atlantic port to drop the bauxite and pick up food for London.

Unequipped ports entailed endless delays during the first year of war. Bombay's antiquated cranes and few docks assumed far too heavy a load after the Japanese took Burma. American and British energy has now cleared that bottleneck. Five other India ports were opened to relieve Bombay. One hundred-ton lifts for locomotives and tanks were installed. A central control was established to keep daily records of ship movements and divert traffic away from crowded areas to other ports. We learned to load ships on this side in 200-pound bales to suit coolie habits. We stopped the use of a ship as a floating warehouse from which goods were picked piecemeal as wanted.

The British, with help from United States Lend-Lease, have increased the capacity of Red Sea ports from 630,000 tons a month to 1,000,000 tons a month.

A year ago the Persian Gulf had little to recommend it as a point of discharge for British and American goods consigned to the Soviet Union. In March 1942, only 60,000 tons a month could be handled, and this comparative trickle taxed the capacity of the 867-mile single-track railroad to the Russian receiving depots on the Caspian Sea.

The greater losses of ships on the way to Murmansk was a consideration to spur British and American modernization of the Persian Gulf ports and the Iranian railway. Today Liberty ships are discharging many times the tonnage delivered there 12 months ago, and the Russians have in hand great stores of food, tanks, planes, munitions, and raw materials to strengthen the Red Army.

Repairs

Merchant ships at war may limp home damaged by torpedoes, mines, or bombs. Moreover, ships carrying war cargoes take long chances. They bend propellers and weaken plates running through ice lanes. They run aground in badly charted waters. They sometimes collide with each other on foggy nights. The time lost under repair is an important element in the cutting down of the effective worth of the merchant fleet. In summer 5 percent of our tonnage is laid up for repairs; in winter it runs as high as 12 percent. In addition, damaged ships lose time waiting their turns in drydock. During 1 month there were 783 ocean-going vessels under repair in 40 United States repair yards, while only 492 overhauled ships were sent back to sea.

The repair yards have added many ships to our fleet. The last of the Hog Islanders, ghost ships lying rail to rail for many years, have been reconditioned for the war service they missed in the last war. Sixty-five requistioned Italian and German vessels, 31 of them badly sabotaged, are now carrying the war to their builders. Eighteen ships bought from American lines have been rebuilt as transports and cargo carriers.

Repair experts have put together the two halves of tankers salvaged from the sea bottom, duplicated lost stern sections, and straightened buckled keels. Whether to perform these major maritime surgical operations depends on the comparative time of building a new ship and the margin of new ship tonnage in service. As shipbuilding speeds up, more old ships are junked for metal.

Seamen

Before Pearl Harbor less than 50,000 men manned our 1,100 merchant ships. At the end of 6 months of war there were 5,000 fewer seamen; sinkings in the early months were high, seamen were drowned, crews of torpedoed ships were stranded in ports all over the world, men were leaving the sea for well-paid defense jobs on shore.

Nine months later there were 90,000 seamen—70,000 on our cargo ships, 10,000 on the Army's fleet, 10,000 on vessels of Panama and Honduras registry, all recruited through WSA. War zone bonuses and better wages have been put into effect.

More than 4,000 seamen have lost their lives. Others have been saved under ghastly conditions of fire, darkness, cold, and the confusion of battle, as the citations for Marine Distinguished Service attest.

Training and Recruitment

The War Shipping Administration through its Training Organization has a program for training personnel to man our merchant fleet which will supply sufficient manpower to supplement available qualified experienced seamen.

The construction program contemplates the building of 4,200 merchant vessels during the years of 1943 and 1944. To man this number of ships approximately 145,000 seamen in all ratings and 35,000 officers are required. Every effort is being made by the Recruitment and Manning Organization of the War Shipping Administration to induce experienced seamen now ashore in other occupations to return to sea. The Training Organization has the responsibility for training the rest of the new officers and seamen needed and to give training for upgrading to the present personnel in the fleet.

The Training Organization includes the United States Merchant Marine Cadet Corps, which trains, to become officers, high-school and college graduates without previous experience at sea. It also includes the United States Maritime Service, which trains men for unlicensed positions in the deck, engine, and

steward's departments, trains radio operators and men with previous experience at sea to become officers, and also conducts upgrading schools. Five State Maritime Academies—in California, Maine, Massachusetts, New York, and Pennsylvania—operated partially with Federal funds, also come under the supervision of the Training Organization. These academies train young men without previous experience at sea to become officers.

The U. S. Merchant Marine Cadet Corps conducts the United States Merchant Marine Academy at Kings' Point, Long Island, N. Y., and Cadet Basic Schools at Pass Christian, Miss., and at San Mateo, Calif., to which are attached a number of training vessels. Cadets get sea training during their course while serving on active merchant vessels.

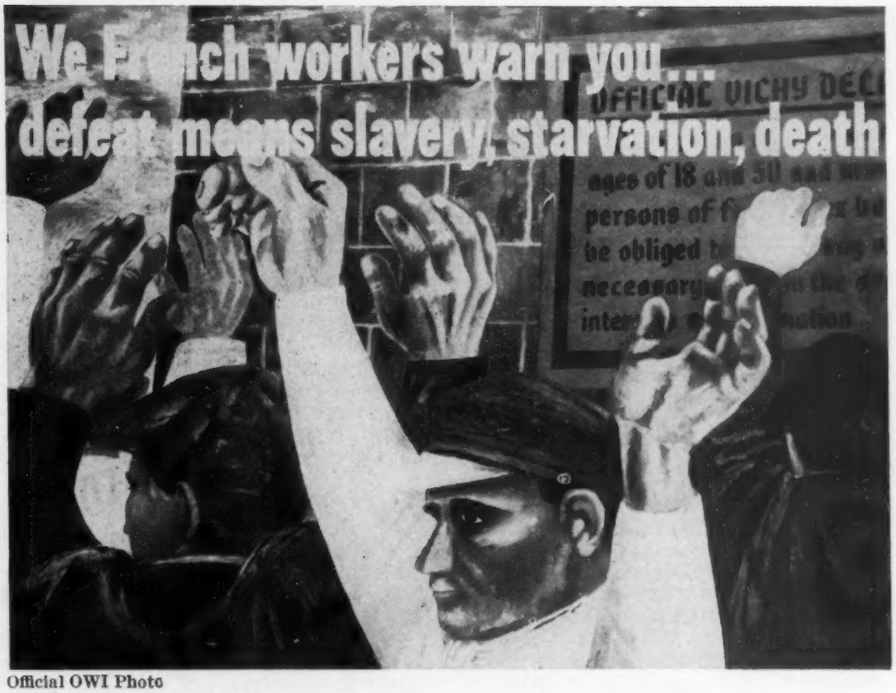
The U. S. Maritime Service conducts four schools for training for unlicensed positions in the deck, engine, and steward's departments at Sheepshead Bay, Brooklyn, N. Y., Hoffman Island, N. Y., St. Petersburg, Fla., and Avalon, Catalina Island, Calif.; two radio schools at Gallups Island, Boston, and at Huntington, Long Island; officers' schools at Fort Trumbull, New London, Conn., and at Alameda, Calif.; upgrading schools at New York, New Orleans, San Francisco, Los Angeles, Portland, and Seattle. Seven large training ships are attached to the various schools.

Seamen Labor Relations

Collective bargaining was established practice on the ships requisitioned for war purposes by the War Shipping Administration. Master coastwise agreements were retained on the west coast between six labor organizations and one employer's organization. On the Atlantic and Gulf coasts agreements were held between the unions and each steamship operator. Among the unlicensed personnel, there was substantial uniformity of wages, hours, and working conditions on all three coasts. Among the licensed personnel, there was uniformity on the Pacific coast only, whereas on the Atlantic and Gulf coasts the wage differential growing out of lack of uniformity amounted to $200 in some cases. However, the War Shipping Administration has requested the agents and the unions to negotiate a uniform agreement, and negotiations have begun.

The War Shipping Administration has issued Statements of Policy with all maritime labor organizations. These in effect retained the union hiring halls and the procedures of collective bargaining. For their part, the unions promised that no changes in collective-bargaining agreements on Government-owned boats would be made without WSA approval; that they would not exercise the right to strike for the duration of the war, and that the authority of the master should be strengthened in recognition of the need for more rigid discipline in time of war.

Since December 7, 1941, there have been no strikes in the maritime industry, nor any serious delay (barring isolated misunderstandings) in the sailing of a vessel as the result of a labor dispute.



Official OWI Photo

Safety at Sea

The seaworthiness of ships and standards of safety on board are in the keeping of the United States Coast Guard requirements.

The Coast Guard has assembled advisory committees, with representation from operators, labor, designers, and the public, to assist it at public hearings on equipment and safety problems. Out of joint councils have come rope nets on which men may climb overboard, rafts which drop into the sea at the touch of a lever, rubber life suits for every man, full equipment for lifeboats. The seamen have themselves suggested a large share of the means by which lives are saved.

Discipline

Discipline aboard ship is the master's concern. He may mete out justice for small offenses. Penalties for serious breaches lie in the hands of those ashore. The sailors' unions also hold hearings of their own and punish members for breaches of discipline.

Seamen sign on voluntarily for "such foreign parts as the master may direct," and generally now for a period of 12 months. This time limit has often been exceeded through the necessities of war. Not since whaling days have Americans shipped blind on such world wanderings. Yet over-all discipline is high.

Repatriation

Until the fall of 1942 there were no satisfactory arrangements for returning torpedoed seamen from their landing ports back to the United States. The War Shipping Administration relieved the situation by stationing agents in Capetown, Iceland, North Russia, North Africa, Australia, the Caribbean, Brazil, and other areas to which men from sunken ships might be brought. The Red Cross, the seamen's unions, the United Seamen's Service, and the WSA now share in returning seamen home in comfort.

WSA has also established five rest houses in the United States in which rescued seamen may recover in body and mind. Preventive treatment is given to forestall the breaking point of fatigue and nerves. Often the problem of rest-house doctors is to prevent a seaman from returning to his ship too soon. Hotel facilities have also been established in foreign ports by the War Shipping Administration in collaboration with United Seamen's Service.

Commercial Chemical Exports From Costa Rica

The firm of Rudin & Jimenez, of Puntarenas, Costa Rica, is now producing chloride of magnesium and magnesia calcinate—also sulphate of magnesium of a grade suitable for livestock, says a recent bulletin from the Ministry of Industry and Commerce of Costa Rica. Those products are being shipped to the neighboring Central American Republics.

The carborundum stones used in the rice-hulling mills of Central America are now difficult to obtain on account of the war. The firm mentioned is therefore experimenting with a new type of stone made by fusing quartz, obtained from the local gold mines, with a mixture of magnesia and chloride of magnesium. These experiments appear to offer a solution to the problem, say Costa Rican commentators.

Commerce in a Changing World

(Continued from p. 4)

which often means a constant source of discontent. No—Sicily is not in any way typical—Sicily was an active theater of war for only a short time, the standard of living was never very high, the drop in this standard to below the existence level was neither abrupt nor need it be of long duration. Despite the destruction which paved the way for the United Nations' victory, restoring Sicily's tool equipment will be a comparatively simple task.

It requires little imagination to select the areas where conditions will be the worst. Materially they will be the regions where the original destruction was the greatest and where the population most consistently resisted the authority of the occupying forces. The names of these nations and their brave people rank high in any roster of the United Nations. Their early sacrifices gave us time; they had to be removed first before the Axis could turn its full attention to its more important objectives. Their flaming spirit shone brightly during the darkest hours. Their carefully planned underground help has already made great contributions to our joint cause. When the real day of victory comes, we shall have ample evidence of what their efforts have contributed, but also we shall have horrible testimony to show the cost of their stubborn resistance.

Without hesitation we will have put into their hands tools of destruction, provided only that they were used against our common enemies. Let us hope that we can show equal alacrity when their willing hands are ready for peaceful tasks.

Basic Problem Looms

They will rejoice and *we* will rejoice with them that the long fight is ended, that they can walk again as free men, that they can work again for themselves and for their families. But after the first exhilaration, the after-effects of the long years of exhausting effort, of tension, of under-nourishment will make their certain appearance. It is at this time and under these conditions that the policies and programs of the United Nations must be carried out with skill, speed, and precision.

Unless those brave men and women obtain tools with which they can carve out their future anew, they can look forward to nothing except a further grim struggle for existence itself.

Here is really the basic problem, the question which must be answered if we hope to see backward regions develop, if we sincerely wish to restore to our comrades in arms their health, their productivity, and their self-respect.

Facing Bald Truths

In this connection, there are certain principles—or bald truths, if you will—which cannot be stated too clearly or too often.

Man without food, shelter, and some clothing *dies*. With a few tools he can provide the minima of these essentials; with the tools which modern science and industry have developed he can accomplish a great deal more than that.

Idle men produce little except discontent.

Employed men, properly trained and properly equipped with modern tools, can produce enough food, shelter, clothing, and every other essential for existence. Freedom from want can become an actuality only if men produce what can be produced with modern tools.

It must follow, then, that a wide distribution of tools is fundamental to any program of reconstruction or development.

What Modern Tools Can Do

In the post-war period, if the world follows a policy of distributing tools and the knowledge of how to use them, the result will be quite different from that produced by a policy of hoarding tools and skills, of bartering the products of a few men, equipped with modern tools, for the products of many men who are not properly equipped.

It is useful to discuss access to raw materials, but raw materials without tools are not very effective.

It is true that ways have been found to extract minerals and agricultural products from wherever they may be found and to transport them long distances to existing industrial and labor centers. When close-at-hand sources of materials were exhausted or fully utilized, other distant sources were found, and the raw materials were again brought to where the men and the tools were located. For a long time no one seemed to question this process, and it is only recently that we ourselves have discovered that it was quite possible to move textile plants close to the centers of cotton cultivation.

We have found that it was quite simple to move tools and skills. What some people choose to call the reawakening of our Southland can be attributed largely to this process of decentralization of industry, of putting modern tools into the hands of hard-working men and women who soon learned to use them.

An Underlying Pattern

What we have done in our own country can and will be repeated in other regions; it is the pattern which underlies the many adaptations which our commerce and that of other nations will make in the rapidly changing world of the future. The war itself is forcing this obvious trend; we need only to read the dispatches from China, from Russia, from Africa, from all of our good neighbors in this Hemisphere, to understand that tools and skills are moving to raw materials and men and women eager to work and learn. There is nothing more significant than this trend, as it clearly points out the way in which the old vicious circle is being broken.

Let us take a quick look at this vicious circle. The inhabitants of a given region are known as backward. This often means that they are so busy obtaining not quite enough to eat that they have neither time nor energy to do much else. If they produce no surplus which they can exchange for the products of other men, they have no means of payment. If they have no means of payment, they cannot get credit; if they cannot obtain credit or purchasing power, they have no way of acquiring modern tools, and so it goes round and round.

Russia without tools, and without the widespread knowledge of how to use them, was a backward giant. Twenty-six years of tooling up and education produced the Red Army and most of the industrial plant which has served it. China without tools was many people exchanging the products of their labor for the mechanized products of a few men with tools. China *with* tools will be the vitalizing, civilizing force of Asia. Brazil without tools was a vast area of largely undeveloped resources; Brazil with tools

can produce necessities and luxuries for many times its present population.

I have mentioned only a few examples—they can be offered almost indefinitely.

Danger in Outmoded Symbols

It is hard for us to keep our attention focused directly on this question. It is so easy for us to talk glibly about competitive positions, relative costs of production, government subsidies, cartels, patent pools, and all the rest of the current jargon. Our very familiarity with this vocabulary causes us to cling to the mechanisms which it describes.

We forget that these mechanisms were developed during the late nineteenth century and the first decade of the twentieth century. They have not been adjusted to serve new developments. These mechanisms ignore the obvious fact that during the past 40 years men have learned how to do many things which had baffled them since the dawn of history. If some men have been able to develop these amazing new tools, other men should certainly be able to devise financial mechanisms and bookkeeping methods which will encourage the widest and speediest use of these new tools of plenty.

Let us not forget that our own insistence on symbols which had long since lost their meaning kept millions of our own citizens from producing and distributing the goods which they knew so well how to make. Poverty in the midst of plenty, idle men walking the streets, farmers destroying growing crops, are scenes in our recent history which should never be glossed over, and certainly never reenacted.

Work Takes on New Meaning

One emphasizes "learning to fly" because it is perhaps the most far-reaching, and certainly the most dramatic, of our new tools—but there are many, many others. Added together they mean that men have learned to make machines which, if properly manned, can produce the minimum needs of everyone. In other words, freedom from want is for the first time a *practical possibility*.

This knowledge is not a secret. Men and women all over the world have heard the story. Indeed they have heard it first-hand from our own sons and daughters. They have seen with their own eyes the planes, the ships, the jeeps, the tanks, the talkie-walkies, and all the other strange tools which make modern warfare what it is. They have talked with the men who use them, they have heard strange tales of how they are made.

Out of it all they have learned what modern tools can produce, particularly in times of peace. They have also learned that, with proper training, practically anyone can use the tools, and they now believe firmly that practically everyone will use them. Better than we, they know that men must work if they wish to produce; but, now that the tools of plenty are at hand, work will take on a new meaning.

U. S. Export Control and Related Announcements

Developments communicated to the Trade Controls Unit up to Tuesday, September 28, 1943:

No. 489—*Current Export Bulletin No. 122*

The Office of Exports has issued Current Export Bulletin No. 122 on the following subject:

CHANGE IN GENERAL LICENSE

The following commodities now under allocation are removed from general license to all destinations. Effective September 27, 1943, shipments of these commodities will require individual export licenses.

Commodity	Department of Commerce Schedule B No.	General license group (old)*	Effective date of change
Abrasive manufactures:			*1943*
Grindstones	5406.00	K-17	Sept. 27
Natural abrasives, hones, whetstones, etc., n. e. s. (include infusorial and diatomaceous earth, flint, rottenstone, tripoli and garnet, but except corundum)[1]	[1] 5409.98	K-17	Do.
Buttons:			
Buttons and parts of other materials (include metal)	9712.90	K-17	Do.
Button parts, backs, blanks, and molds (specify type of article)	9713.00	K-17	Do.
Chemicals:			
Baking powder	8230.00	K	Do.
Clay and clay products:			
Electrical porcelain for less than 6,600 volts	5370.00	K-17	Do.
Electrical porcelain for 6,600 volts and over	5336.00	K-17	Do.
Coal and related fuels:			
Anthracite	5001.00	K	Do.
Bituminous	5002.00	K	Do.
Coal and coke briquets	5003.00	K	Do.
Cotton manufactures:			
Bed sheets and pillow cases	3178.00	K-17	Do.
Bedspreads, candlewick, chenille and tufted	3175.00	K-17	Do.
Bedspreads, plain, crinkle, dobby and jacquard	3176.00	K-17	Do.
Blankets	3171.00	K-17	Do.
Boys' clothing of woven fabrics, n. e. s. (include bathrobes, seersucker suits and slacks and boys' playsuits, overalls, etc.)	3120.98	K-17	Do.
Braids, ribbons, trimmings, bindings, lacings, tape-labels and webbing	3160.00	K	Do.
Broadcloth, carded, bleached	3048.00	K-17	Do.
Broadcloth, carded, dyed in the piece	3049.10	K-17	Do.
Broadcloth, carded, printed	3049.20	K-17	Do.
Chambrays, cheviots and shirtings	3060.00	K-17	Do.
Cheesecloth and gauze, bleached or dyed (full piece)	3050.00	K-17	Do.
Children's outerwear, not knit	3127.00	K-17	Do.
Cloth, gray, n. e. s.	3039.00	K-17	Do.
Clothing, men's of woven fabrics, n. e. s.	3120.05	K-17	Do.
Combed and carded goods, n. e. s.	3074.00	K-17	Do.
Curtains and draperies (include cotton bath curtains)	3181.00	K-17	Do.
Denims	3057.00	K-17	Do.
Dresses and ensembles, women's (include eyelet, velveteen, and lace)	3122.00	K-17	Do.
Fabrics, colored yarn, n. e. s. (include seersucker and tickings, n. e. s.)	3061.00	K-17	Do.
Fabrics, cotton and rayon mixtures	3079.00	K-17	Do.
Fabrics, cotton and wool mixtures	3076.00	K-17	Do.
Fabrics, knit in the piece	3080.00	K-17	Do.
Fabrics, narrow, n. e. s. (include lamp wicks and wicking and hose not rubberized)	3161.00	K	Do.
Gloves, dress and all other, woven or knit (include children's mittens of cotton)	3091.20	K-17	Do.
Gloves, mitts and gauntlets, work or fabric	3091.10	K-17	Do.
Handkerchiefs	3090.00	K-17	Do.
Hosiery, children's	3094.00	K-17	Do.
Hosiery, men's	3095.00	K-17	Do.
Hosiery, women's	3093.00	K-17	Do.
House furnishings, n. e. s. (include napery, cotton floor coverings, and furniture slip covers)	3189.00	K-17	Do.
Jackets and windbreakers, boys'	3113.98	K-17	Do.
Jackets and windbreakers, men's	3113.05	K-17	Do.
Knit apparel, men's, cotton, n. e. s.	3099.95	K-17	Do.
Kit apparel, n. e. s. (except men's)	3099.98	K-17	Do.
Laces, embroideries and articles thereof, n. e. s.	3185.00	K-17	Do.
Marquisettes, combed	3073.00	K-17	Do.
Nightwear, boys', woven	3115.98	K-17	Do.
Nightwear, men's woven	3115.05	K-17	Do.
Nightwear, women's and children's knit (include balbriggan pajamas and "Dentons")	3098.00	K-17	Do.
Overalls, breeches, etc., n. e. s.	3114.00	K-17	Do.
Pile fabrics, other (include velveteens, corduroys, and terry fabrics)	3088.00	K-17	Do.
Piques, combed	3070.00	K-17	Do.
Plushes	3087.00	K-17	Do.
Printcloth, bleached	3051.10	K-17	Do.
Printcloth, dyed in the piece	3052.10	K-17	Do.
Printcloth, printed	3052.20	K-17	Do.
Printcloth, yarn fabric construction, unbleached (gray), n. e. s.	3037.00	K-17	Do.
Quilts, comfortables, and quilted bedspreads	3173.00	K-17	Do.
Remnants and fabrics, n. e. s., sold by the pound (include mill ends and short pieces of less than 10 yards)	3089.50	K-17	Do.
Shirts, boys', n. e. s. (except knit)	3177.29	K-17	Do.
Shirts, men's not knit, n. e. s.	3177.25	K-17	Do.
Shirts, work	3177.10	K-17	Do.
Suitings, twill-coverts, and cottonades	3058.00	K-17	Do.
Sweaters, jersey pullovers and sweatshirts, boys'	3099.19	K-17	Do.
Sweaters, jersey pullovers and sweatshirts, men's	3099.15	K-17	Do.

*General license group (new)—None.

[1] Corundum B-5409.98, remains exportable under general license to Iceland.

Commodity	Department of Commerce Schedule B No.	General license group (old)	Effective date of change
Cotton manufactures—Continued.			*1943*
Sweaters, shawls, and mufflers, women's and children's	3099.50	K-17	Sept. 27
Table damask in the piece	3082.00	K-17	Do.
Tapestry and other upholstery and drapery materials, jacquard and dobby-woven	3084.00	K-17	Do.
Thread, crochet, darning and embroidery	3016.00	K-17	Do.
Tobacco and cheese cloth	3036.00	K-17	Do.
Towels and toweling, huck, damask and plainwoven	3188.00	K-17	Do.
Towels, wash cloths and bath mats, terry woven	3187.00	K-17	Do.
Twine, rope, and cordage (except tire cord)	3018.00	K	Do.
Underwear, boys' knit	3096.98	K-17	Do.
Underwear, boys' woven fabric	3116.19	K-17	Do.
Underwear, men's, knit	3096.05	K-17	Do.
Underwear, men's, not knit	3116.15	K-17	Do.
Underwear, women's and children's knit	3097.00	K-17	Do.
Underwear and nightwear, women's not knit (include diapers)	2124.00	K-17	Do.
Voiles, organdies, lawns, and batiste	3067.00	K-17	Do.
Women's and children's apparel of woven fabrics, n. e. s. (include blouses, skirts, bathrobes, uniforms, washable apparel, n. e. s)	3129.00	K-17	Do.
Manufactures, n. e. s. (include molleton padding, fish nets, dyed cotton flocks and semimanufactures, n. e. s.)	3199.00	K-17	Do.
Glass and glass products:			
Beverage bottles, including soda, beer and alcoholic beverage bottles	5234.00	K	Do.
Bottles, milk	5234.CC	K	Do.
Chemical glassware, n. e. s	5291.00	K	Do.
Electric insulators, glass	5292.00	K	Do.
Ophthalmic glass [2]	5230.98	K	Do.
Unfilled glass containers	5236.00	K	Do.
Meat products:			
Kidneys and livers, fresh, frozen, or cured	0041.00	K	Do.
Tongues, fresh, frozen, or cured	0043.00	K	Do.
Canned meats, n. e. s	0039.09	K	Do.
Nonmetallic minerals:			
Charcoal	5880.00	K	Do.
Nuts:			
Almonds, sweet	1379.03	K	Do.
Apricots and peach pits and kernels	1374.00	K	Do.
Brazil or cream nuts	1379.05	K	Do.
Filberts	1379.07	K	Do.
Pecans, not shelled	1376.50	K	Do.
Pecans, shelled	1376.10	K	Do.
Nuts, n. e. s. (except cashew nuts) [3]	1379.98	K	Do.
Walnuts, not shelled	1377.50	K	Do.
Walnuts, shelled	1377.10	K	Do.
Seeds:			
Clover, red	2402.00	K	Do.
Flower seeds	2467.00	K	Do.
Kentucky blue grass	2407.00	K	Do.
Red top	2408.00	K	Do.
Timothy	2406.00	K	Do.
Clover, n. e. s. (except alsyke clover) [4]	2405.00	K	Do.
Grass and field seeds, n. e. s. (except meadow fescue and orchard grass) [5]	2419.00	K	Do.
Vegetable seeds, n. e. s. (include mushroom spawn and tree seed except fennel seeds and onion seeds) [6]	2468.90	K	Do.
Soap and toilet preparations:			
Shaving creams	8718.00	K	Do.
Shaving cakes, powders, and sticks	8719.00	K	Do.
Scouring bricks, pastes, powders, soaps, and household washing powders	8724.00	K	Do.
Synthetic textiles:			
Dresses, skirts, blouses and other outerwear for women and children, not knit or crocheted, include woven bathing suits (one, two, and three-piece ensembles as one unit)	3852.00	K	Do.
Dresses and ensembles, knit or crocheted	3853.10	K	Do.
Knit fabric in the piece	3848.00	K	Do.
Knit outerwear, n. e. s. (include sweaters and gloves of knit rayon and crocheted shawls)	3853.20	K	Do.
Knit underwear	3857.10	K	Do.
Men's socks	3856.00	K	Do.
Pile (velvets, etc.) chiefly of rayon and other synthetic fibers (include imitation furs)	3845.00 3845.01	K	Do.
Rayon house furnishings (include bedspreads, quilts, finished curtains and draperies, art squares and cushions)	3850.00	K	Do.
Sleeping and lounging garments, knit or woven (include pajamas, robes and kimonos, gowns)	3857.70	K	Do.
Synthetic textiles, women's and children's hosiery, n. e. s	3854.90	K	Do.
Woven underwear	3857.20	K	Do.
Textile products:			
Corsets, brassieres and girdles	3921.00	K	Do.
Oilcloth for shelf, table and wall	3911.00	K	Do.
Pyroxylin coated or impregnated book cloth	3914.10	K	Do.
Pyroxylin coated or impregnated fabrics	3915.00	K	Do.
Starch filled book cloth	3914.20	K	Do.
Waterproof outer garments	3918.00	K	Do.
Window shade cloth	3913.00	K	Do.
Mattresses, hair, cotton and moss	3970.98	K	Do.
Vegetables and preparations:			
Pickles	1250.00	K	Do.
Soya flour, edible	1259.11	K	Do.
Vinegar	1253.00	K	Do.
Vegetable preparations, other (except crude sago and flour) [7]	1259.98	K	Do.
Vegetable products—Miscellaneous:			
Cornstarch and corn flour	2811.00	K	Do.
Starch, other	2813.00	K	Do.
Vegetable products, inedible, other	2999.98	K	Do.
Wood manufactures:			
Eastern red cedar pencil slats	4291.00	K	Do.
Incense cedar pencil slats	4292.00	K	Do.
Plow and similar bent handles	4285.00	K-17	Do.

[2] Glass, n. e. s. (including flat glass specialties, mirrors and glass brick, but excepting ophthalmic glass) remains exportable under general license to group K.
[3] Cashew nuts, B-1379.98, remain exportable under general license to Iceland.
[4] Alsyke clover, B-2405.00, remains exportable under general license to Iceland.
[5] Meadow fescue and orchard grass, B-2419.00, remain exportable under general license to Iceland.
[6] Fennel seeds and onion seeds, B-2468.90, remain exportable under general license to Iceland.
[7] Sago, crude and flour, B-1259.98, and tapioca B-1259.98 remain under general license to Iceland.

(Continued on p. 35)

UNITED STATES TARIFF COMMISSION

WASHINGTON

PUBLIC NOTICE

Public Hearing Ordered

FOR OCTOBER 22, 1943, IN NEW YORK, N. Y.

MEDICAL SWABS

In the matter of complaint of unfair methods of competition and unfair acts in the importation and sale of medical swabs.

Docket No. 12, Section 337, Tariff Act of 1930

NOTICE is hereby given, pursuant to section 337 of the Tariff Act of 1930 and the Rules of the United States Tariff Commission (Code of Federal Regulations, title 19, sec. 203.5), that a public hearing in the foregoing investigation will be held by the United States Tariff Commission in Room 231, Empire State Building, 350 Fifth Avenue, New York, N. Y., beginning at 10 a. m. on the 22d day of October 1943.

All parties interested in the investigation of alleged unfair methods of competition or unfair acts in the importation or sale of medical swabs will be afforded opportunity to be present at this hearing, to produce evidence, and to be heard concerning the subject matter of this investigation.

By order of the United States Tariff Commission this 17th day of September 1943.

E. M. WHITCOMB,
Acting Secretary.

Foreign Commerce Statistical Decision

(F. C. S. D. 44)

NOTICE TO COLLECTORS OF CUSTOMS, EXPORTERS, AND OTHERS CONCERNED

Shipper's Export Declaration of Shipments to Alaska—Commerce Form 7525-H

DEPARTMENT OF COMMERCE,
BUREAU OF THE CENSUS,
Washington 25, D. C.

Effective October 15, 1943, Commerce Form 7525-H, "Shipper's Export Declaration of Shipments to Alaska," which is used for shipments from the United States to Alaska will be abolished and shippers will be required to file Commerce Form 7525-V in accordance with existing regulations covering its use.

Schedule H, "Statistical Classification and Commodity Code Number of Shipments of Merchandise to Alaska," will contine to be used in classifying the commodities.

J. C. CAPT, *Director.*

SEPTEMBER 15, 1943.

U. S. Export Control and Related Announcements

(Continued from p. 34)

Commodity	Department of Commerce Schedule B No.	General license group (old)	Effective date of change
Wood manufactures—Continued.			*1943*
Venetian blinds	4231.00	K–17	Sept. 27
Venetian blind slats	4230.00	K	Do.
Woodenware	4298.00	K–17	Do.
Wood manufactures, n. e. s.	4299.00	K–17	Do.
Wood, unmanufactured:			
Cottonwood and aspen, logs and hewn timber	4002.00	K	Do.
Creosoted or otherwise treated railroad ties, hewn	4026.00	K	Do.
Creosoted pilings	4031.00	K	Do.
Firewoods and other unmanufactured wood (include mine props and fence posts)	4039.00	K	Do.
Hardwood burls (estimate board feet at 10 lbs. to the board foot)	4006.00	K	Do.
Mahogany logs	4009.05	K	Do.
Telegraph, trolley, and electric light poles	4034.00	K	Do.
Pilings, n. e. s.	4032.00	K	Do.
Railroad ties, hewn, n. e. s.	4029.00	K	Do.

NOTE: The shipping priority ratings assigned to the above commodities are hereby deleted.

Shipments of the above commodities which are on dock, on lighter, laden aboard the exporting carrier or in transit to a port of exit pursuant to an actual order for export prior to the effective date of this change may be exported under the previous general license provisions. Shipments moving to a vessel subsequent to the effective date of change pursuant to ODT permits issued prior to such date may also be exported under the previous general license provisions.

No. 490—*Current Export Bulletin No. 123*

The Office of Exports has issued Current Export Bulletin No. 123 covering the following subjects:

I. OUTSTANDING E–1 ALLOTMENTS FOR THIRD QUARTER DELIVERY

a. The Office of Exports, Office of Economic Warfare is making a reconciliation of E–1 allotments which have been assigned for third quarter delivery.

b. All holders of outstanding licenses, covering "A" products and basic controlled materials (steel, copper, or aluminum in basic mill shapes), which have been assigned E–1 allotments for third quarter delivery, are requested to review the present status of their allotments.

c. E–1 allotments which have been assigned for the third quarter and for which orders have not been definitely placed with producers or suppliers for third quarter delivery should be returned to the Metals and Minerals Division, Office of Exports, Office of Economic Warfare, Washington 25, D. C. If necessary producers and suppliers should be contacted for confirmation of outstanding orders which have not yet been accepted by them for delivery in the third quarter.

d. In returning the allotment, or an unused portion of the allotment, War Production Board Form CMP–32 may be used. This form may be obtained from the War Production Board, or its field offices, or from the Office of Economic Warfare. However, if this form is not readily available, a letter describing the allotment and outlining the license number, commodity, weight of material, and country of destination should be addressed to the Metals and Minerals Division, Office of Exports, Office of Economic Warfare, Washington 25, D. C.

The license carrying the E–1 allotment assignment for third quarter delivery must be returned if cancellation of the license is desired; and it may or may not be returned if revalidation of the allotment for a succeeding quarter is requested.

e. A cancelation of an allotment is to be made in accordance with subparagraph (1) of CMP Regulation I, dated May 28, 1943, as issued by the War Production Board.

f. The allotments for those orders which have not been extended to, or accepted by, producers or suppliers, and which are not returned to the Office of Exports before September 30, 1943, cannot be considered thereafter for reassignment in future quarters.

g. This request applies to those allotments assigned on both individual and "SP" licenses.

II. APPLICATIONS FOR "SP" LICENSES FOR AREAS INCLUDED IN THE BRITISH PROGRAM LICENSE BE–1.

Subject VI of Current Export Bulletin No. 111 outlined the procedure for the submission of release certificate applications to the various constituent organizations of the British Supply Council. It should be specifically noted that no reference was made to "SP" licenses. Exporters are advised that hereafter "SP" licenses authorizing shipments to the British Program destinations will be known as "'SP' release certificates." (Outstanding "SP" licenses covering exportations to these destinations will not be affected by the procedure herein outlined.) The procedure for submitting "SP" release certificate applications will remain the same as that now followed for "SP" license applications and Form BEW 119 will be used as the release certificate.

III. FURTHER EXTENSION OF THE TERM OF VALIDITY OF RELEASE CERTIFICATES ISSUED PURSUANT TO THE UNLIMITED LICENSE FOR MIDDLE EAST DESTINATIONS.

The term of validity for release certificates covering exportations to certain Middle East destinations under the Unlimited License of the British Ministry of Supply Mission which was terminated June 30, 1943, is extended to September 30, 1943, if such certificates were valid on June 30, 1943. The destinations include Anglo-Egyptian Sudan, Cyprus, British Somaliland, Palestine and Transjordan, Aden (including Perim and Sokotra Islands), and Egypt.

This amends provisions previously announced in Current Export Bulletin No. 105 (Announcement No. 472 in FOREIGN COMMERCE WEEKLY for July 10), Subject III–A, and Current Export Bulletin No. 107, Subject III (Announcement No. 474 in FOREIGN COMMERCE WEEKLY for July 24).

IV. EXTENSION OF VALIDITY OF INDIVIDUAL EXPORT LICENSES FOR SHIPMENTS DELAYED AT BORDER BECAUSE OF MEXICAN RAIL EMBARGOES.

Effective September 25, 1943, the validity of individual export licenses, covering exports from the United States to Mexico delayed at the border as a result of Mexican rail embargoes, will be automatically extended to include whatever period is necessary to complete shipment.

V. PORTUGUESE COLONY OF GOA REMOVED FROM SELECTED DESTINATIONS PROCEDURE.

Effective immediately, the Portuguese Colony of Goa is removed from the list of countries under Selected Destinations Clearance Procedure. The provisions governing shipments to Selected Destinations will not apply to shipments for the Portuguese Colony of Goa.

VI. SUGGESTED EXPORT LICENSE APPLICATION LIMITS FOR RADIO RECEIVING TUBES FOR FOURTH QUARTER 1943.

As announced in Subject III of Current Export Bulletin No. 98 (Announcement No. 465 in FOREIGN COMMERCE WEEKLY for June 5), the Office of Exports expects to have available by the middle of September the suggested export license application limits for radio receiving tubes, Schedule B, Nos. 7078.05 and 7078.98, for the fourth quarter of 1943.

Exporters of radio receiving tubes who are interested in the limits which will be suggested for their use in the fourth quarter of 1943 may secure this information by writing the Electrical Equipment Section, Operations Branch, Office of Exports, Office of Economic Warfare, Washington 25, D. C., reference OE–4–4–JDG.

No. 491—*Current Export Bulletin No. 124*

The Office of Exports has issued Current Export Bulletin No. 124 on the following subject:

Decentralization Controls Eased for Sixteen American Republics—Paper Work Simplified for All

A. DECENTRALIZATION MODIFIED

1. Although export controls remain necessary for the successful prosecution of the war, an important step in the easing and simplification of certain procedures has now been effected. As conditions warrant, other controls will be relaxed or eliminated. Paper work, likewise, is being reduced for the exporters by eliminating the need for answering a number of questions in the license application form.

After October 1, 1943, goods which are in free supply, destined to satisfactory consignees in the countries hereinafter listed, may be exported without an export license or an import recommendation, the only document required for this class of goods being a statement of cargo availability (BEW 138), and then only in

the case of shipments weighing 2,240 pounds or more. Furthermore, Import Recommendations are waived in the case of goods valued at $25 or less including those remaining under individual license.

Countries Affected—2. The proposals and modifications announced in Current Export Bulletins 115, 120 (Announcements Nos. 482 and 487 in FOREIGN COMMERCE WEEKLY for September 4 and September 18, respectively) and this Bulletin will be effective for the following countries:

Brazil.	Haiti.
Chile.	Honduras.
Colombia.	Nicaragua.
Costa Rica.	Panama.
Dominican Republic.	Paraguay.
Ecuador.	Peru.
El Salvador.	Uruguay.
Guatemala.	Venezuela.

As Mexico and Cuba have both been under a modified plan of decentralization (Bulletins 104 and 105, Comprehensive Export Schedule No. 12, pp. 121–124) the procedures specifically applicable to those countries remain effective. However, the simplification of application for export licenses accompanied by import recommendations outlined herein (secs. B and C) will likewise apply for these countries.

Effective Date—3. These arrangements will become effective October 1, 1943.

General Licenses Reinstated—4. Commodities exportable under general license to Group K countries as set forth in Comprehensive Export Schedule No. 12 as amended in Current Export Bulletins 121 and 122 (Announcements Nos. 488 in FOREIGN COMMERCE WEEKLY for September 18, and 489 above) may now also be shipped under general license to the countries mentioned in A–2 above. It will no longer be necessary to submit individual license applications for such exportations. It will also be unnecessary to submit Import Recommendations [1] to the Office of Economic Warfare for the exportation of such shipments.

Exporters holding valid individual licenses for the items going under general license as of October 1 are required to return such licenses to the Office of Exports, Office of Economic Warfare, Washington 25, D. C., immediately so that there will not be a group of outstanding licenses unaccounted for by the Division of Statistics and Reports of the Office of Exports.

Any Import Recommendations not to be used under the terms of this bulletin should be returned promptly to the Office of Exports, Office of Economic Warfare, Washington 25, D. C., or returned to the importer with a copy of the transmittal letter to the Office of Exports.

B. EXPORT LICENSE APPLICATIONS SIMPLIFIED FOR EXPORT TO ALL LATIN AMERICAN REPUBLICS

No. IR's Needed for $25 Shipments—1. The submission of Import Recommendations will no longer be required with any license applications for commodities involving quantities valued at $25 or less.

Fewer Answers on BEW 119 and Bottom Part of BEW 166—2. In filling out form BEW 119 (revised 12/30/42), and the lower part of BEW 166, for shipments to the Latin American Republics, answers to certain questions may be omitted *on condition that an Import Recommendation accompanies the application.*[2] The following questions need no longer be answered on applications submitted with I. R.'s:

If for resale, name of (check one):
Distributor/wholesaler, retailer, user Address.
Total Cubic Measurements.
Total Gross Weight.
If any other application covering the material, etc.
Check method of shipment, etc. (except in case of mail shipments).
Range of ports, etc.
If the article or material covered by this application has been or is being manufactured, etc.
If this is an application to export to any of the Selected, etc.

Consideration is now being given to a simplified form of BEW 119 for future issuance.

C. STATEMENT OF CARGO AVAILABILITY

Shipments Weighing Less than 2,240 Pounds—1. In the case of all exportations whether under general or individual license to all the Latin American Republics, where the weight is less than 2,240 pounds, no Statement of Cargo Availability (BEW 138) is required and the shipment may be booked directly with the steamship company.

2. The regulation which sets a limit of one such shipment to a single port of call on a single vessel without submission of a BEW 138 is cancelled.[3] It remains unlawful, however, for an exporter to split his shipments or orders into less than 2,240 pound lots for the purpose of booking directly with the steamship operator instead of filing a Statement of Cargo Availability. In the case of such shipments under general license, it remains the responsibility of the exporter to clear the desirability of the consignee and purchaser through the usual channels.

General License Shipments Weighing 2,240 Pounds or More—3. In the case of shipments under general license where the weight is 2,240 pounds or more, Statements of Cargo Availability (BEW 138) are to be submitted to the New York office, Office of Economic Warfare, 61 Broadway, New York 6, N. Y. The Office of Economic Warfare will forward them to the War Shipping Administration, Division of Cargo Clearance, 39 Broadway, New York 6, N. Y., unless contrary to the interests of the war effort. All questions on the BEW 138 must be answered by the exporter.

Individual License Shipments Weighing 2,240 Pounds or More—4. In the interest of simplicity and to take full advantage of the changes now possible, the requirement of simultaneous submission of BEW 119 and BEW 138 announced in Current Export Bulletin No. 102 (Announcement No. 469 in FOREIGN COMMERCE WEEKLY for July 10) is rescinded. Form BEW 138 shall, however, be submitted to the New York office, 61 Broadway, New York 6, N. Y., as soon as a definite or reasonably estimated date of readiness can be given, whence they will be sent to the War Shipping Administration as heretofore.

It is urged that Form BEW 166 be used wherever possible; this form has been revised in accordance with exporters' recommendations and will be introduced in a forthcoming bulletin.

SP Licenses—5. Submissions of BEW 138's for shipment under SP Licenses must still be made to the Office of Exports in Washington and are not affected by this bulletin.

Newsprint—6. Exporters of newsprint are to continue submitting form BEW 138 to the Office of Exports, Washington 25, D. C., as in the past.

Elimination of Shipping Ratings—7. Beginning October 1, 1943, shipping ratings will no longer be assigned in the case of goods under either individual or general license. The priority of the booking of cargo will be controlled through the medium of the monthly shipping program for each country furnished the War Shipping Administration by the Office of Economic Warfare and the Department of State.

NOTE: This bulletin is not to be construed as meaning that the Office of Economic Warfare is departing from its often-stated purpose of giving shipping preference to the goods either under individual or general license which are essential to the country of destination as determined by that country. No assurance is given by the Office of Economic Warfare, expressed or implied, that all of the materials and commodities going under general license as of October 1, 1943, will assuredly find shipping space. Exporters are cautioned to use due prudence in making commitments for goods under general license which are not essential to the country of destination or which may be subject to import regulations in the country of destination.

Import Control

No. 36—*Amendment of General Imports Order M–63, Making Specified Changes in Lists I, II, and III, and Certain Additions to the List of Exemptions Provided in Paragraph (b) (4) of the Text of the Order.*

Effective September 23, 1943, the War Production Board has issued an amendment of General Imports Order M–63 as Amended, making the following changes in the lists of materials subject to the order (Schedule A Commerce Import Class Numbers in parentheses):

Added to List I—Brushes, n. s. p. f.: paint brushes (including artists') (9715.100);

[1] Wherever the phrase "Import Recommendations" is used in this bulletin, it includes "Export Recommendations" in the case of Mexico and "Preference Request Recommendations" in the case of Brazil.

[2] It is to be noted that the elimination of certain questions on the license form is permissible in the case of *all* of the Latin American Republic and not only those noted in A–2 above.

[3] Current Export Bulletins No. 81–II, No. 86–II and III, No. 95–VII (Announcements Nos. 447, 452, and 461 in FOREIGN COMMERCE WEEKLY for March 13, March 27, and May 8, respectively); Comprehensive Export Schedule No. 12, p. 136, pars. 2–b and 3–b.

other (except toilet brushes and hair pencils) (9715.900).

Added to List II—Cashew nut shell liquid (oil) (2171.850).

Removed from List II—Cashew nut shell oil (2260.050); cotton linters, munitions or chemical grades only (grades 3–6 according to Department of Agriculture classification (N. S. C.).

Added to List III—Cotton linters (all grades) (3005.000); olive oil, edible (1424.000 and 1425.000); olive oil inedible; sulphured or foots (2244.000); other (2245.000); peanut butter (1380.090); ramie fiber or China grass, unmanufactured (3409.600).

Removed from List III—Cotton linters, other than munitions and chemical grades (grades 1 and 2 according to Department of Agriculture classification) (N. S. C.); lamb and sheep fur, except Caracul and Persian Lamb (0711.300); sheep and lamb skins, slats, dry, no wool (0231.700).

Moved from List II to List III—Wool, apparel, finer than 44s (3520.000, 3521.100, 3521.200, 3521.300, 3522.000, 3523.100, 3523.200, 3523.300, 3526,000, 3527.100, 3527.200, 3527.300, 3528.000, 3529.100, 3529.200, and 3529.300); wool, apparel, finer than 40s but not finer than 44s (3513.000, 3514.100, 3514.200, 3514.300, 3524.000, 3525.100, 3525.200, and 3525.300).

The governing date for all of the newly added material is September 23, 1943. As of that date importation of these commodities may be made only under written authorization of the War Production Board for which application must be filed in duplicate on Form WPB–1041 (formerly PD–222–C). However, shipments of the materials in transit to a point within the continental United States on the governing date do not require authorization.

The additions to the text of the order, referred to above, contained in the present amendment provide the following added exemptions to those heretofore set forth in paragraph (b) (4) of the order, thus making it unnecessary to apply to the War Production Board for an import authorization for any of the following:

(viii) Manufactured materials which are imported in bond solely for the purpose of having them repaired and then returned to the owner outside the continental United States.

(ix) Materials which were grown, produced, or manufactured in the continental United States, and which were shipped outside the continental United States on consignment or pursuant to a contract of purchase, and which are now returned as rejected by the prospective purchaser.

(x) Materials shipped into the United States in transmit from one point in Mexico to another point in Mexico, or from one point in Canada to another point in Canada.

A minor clarification has also been made in Interpretation 1 of M–63 dealing with release of List I materials which have entered the country in bond.

Latin American Exchange Rates

[NOTE.—Averages are based on actual selling rates for sight drafts on New York, in units of foreign currency, per dollar with the following exception: Cuba—United States dollars to the peso. The peso of the Dominican Republic, the Guatemalan quetzal, and the Panamanian balboa are linked to the dollar at 1 to 1; the Haitian gourde is fixed at 5 gourdes to the dollar.]

Country	Unit quoted	Type of exchange	Annual average rate		Latest available quotation		
			1941	1942	Rate	Approximate equivalent in U. S. currency	Date, 1943
Argentina	Paper peso	Official A	3.73	3.73	3.73	$0.2681	Aug. 28
		Official B	4.23	4.23	4.23	.2364	Do.
		Bid	4.88	4.94	4.94	.2024	Do.
		Free market	4.24		4.00	.2500	Do.
Bolivia	Boliviano	Controlled	43.38	46.46	42.42	.0236	Aug. 31
		Curb	54.02	49.66	44.50	.0225	Do.
Brazil	Cruzeiro [1]	Official	16.50	16.50	16.50	.0606	Sept. 1
		Free market	19.72	19.64	19.63	.0509	Do.
		Special free market	20.68	20.52	20.30	.0493	Do.
		Curb	20.30				
Chile	Peso	Official	19.37	19.37	19.37	.0516	July 31
		Export draft	25.00	25.00	25.00	.0400	Do.
		Curb market	31.78	31.75	31.90	.0313	Do.
		Free	31.15	31.13	31.00	.0323	Do.
		Gold exchange	31.15	31.13	31.00	.0323	Do.
		Mining dollar	31.35	31.13	31.00	.0323	Do.
		Agricultural dollar	[2] 31.15	31.13	31.00	.0323	Do.
Colombia	do	Controlled	1.75	1.75	1.75	.5714	Aug. 31
		Bank of Republic	1.76	1.76	1.76	.5682	Do.
		Stabilization Fund	([3])	([3])	([4])	([4])	Do.
		Curb	1.86	1.77	1.75	.5714	Do.
Costa Rica	Colon	Uncontrolled	5.85	5.71	5.64	.1773	Do.
		Controlled	5.62	5.62	5.62	.1779	Do.
Cuba	Peso	Free	.98	1.00	1.00	1.0000	Sept. 11
Ecuador	Sucre	Central Bank (Official)	15.00	14.39	14.10	.0709	July 20
Honduras	Lempira	Official	2.04	2.04	2.04	.4902	Sept. 1
Mexico	Peso	Free	4.86	4.85	4.85	.2062	Aug. 21
Nicaragua	Cordoba	Official	5.00	5.00	5.20	.1923	Sept. 4
		Curb	5.93		5.25	.1905	Do.
Paraguay	Paper peso	Official		333.00	333.00	.0030	Sept. 3
Peru	Sol	Free	6.50	6.50	6.50	.1538	Sept. 11
Salvador	Colon	do	2.50	2.50	2.50	.4000	July 31
Uruguay	Peso	Controlled	1.90	1.90	1.90	.5263	Aug. 31
		Free	2.31	1.90	1.90	.5263	Do.
Venezuela	Bolivar	Controlled	3.26	3.35	3.35	.2985	Sept. 4
		Free	[5] 3.76	3.45	3.35	.2985	Do.

[1] Under law of October 6, 1942, the cruzeiro became the unit of currency, replacing the milreis. Since November 1, 1942, exchange quotations have been in terms of cruzieros and centavos to the dollar.
[2] Established March 25.
[3] For class 2 merchandise 1.795; class 3, 1.87; class 4, 1.95.
[4] For class 2 merchandise, 1.765; class 3, 1.775; class 4, 1.785.
[5] July 24–December 31.

NOTE.—Special rates apply to automotive equipment and agricultural machinery imported from the United States into Argentina.

No. 37—*Amendment to Supplemental General Imports Order M–63–a Making Specified Addition to Schedule A.*

Effective September 23, 1943, an amendment to Supplemental General Imports Order M–63–a as amended August 5, adds peanut butter (Commerce Import Class No. 1380.090) to Schedule A of that supplemental order.

The effect of this amendment is to remove this product from the exemption which is granted to List III materials shipped overland, by air, or by inland waterway from Canada, Mexico, Guatemala, and El Salvador, by terms of Supplemental General Imports Order M–63–a, and to require written authorization from the War Production Board, in accordance with paragraph (b) of General Imports Order M–63, for importation of the above product from the designated sources, regardless of the means of transportation.

Colombian Woods To Reinforce Concrete?

The Colombian engineer, Max Borrero Navarro, of the city of Barranquilla, claims to have found a method of using the woods of Colombia for reinforcing concrete structures, in place of steel reinforcing bars, which are now very difficult to obtain.

He claims that his method has successfully met various tests and says that he is now applying for a patent on his method and procedure.

Unofficial Axis reports from Kiev recently stated that the total area devoted to the cultivation of spices and medicinal plants in the Ukraine is 70 times greater than in Germany. The fact occasioned gratification among the Nazis—but the present progress of the Soviet armed forces makes it seem likely that the benefit will actually accrue to the U. S. S. R.

Trade Mark Applications

Argentina.—The following applications for trade-mark registration were published in the Boletin Oficial of August 31, 1943. Opposition must be filed before October 4, 1943.

Trade-mark	*Class Number and Commodity*
Maraton	No. 10—Entire class.
Richmond	No. 10—Entire class.
Gladiador	No. 8—Entire class.
Domino	No. 1—Entire class.
Vita	No. 22—Entire class.
Cook's	No. 22—Entire class.

Argentina.—The following applications for trade-mark registration were published in the Boletin Oficial of September 7, 1943. Opposition must be filed before October 11, 1943.

Trade-mark	*Class Number and Commodity*
Newsweek	No. 18—Entire class.
Alfa	No. 3—Entire class.
Papyrus	No. 18—Entire class.
C. H	No. 10—Entire class.
Junior	No. 2—Entire class.
Page	No. 10—Entire class.

Brazil.—The following applications for trade-mark registration were published on the dates indicated in the Official Gazette of Brazil. Opposition must be filed within 60 days from the date of publication.

Trade-mark	Class number and product	Date of publication
		1943
Sulphamezathine—Imperial Chemical (pharmaceuticals) Ltd.—Slough — Inglaterra.	No. 3—Pharmaceutical product.	Aug. 3
Deposition—Instituto de Terapeutica "Humanitas."	do	Do.
Aloma	No. 48—Perfumery	Do.
Iankibril	No. 10—Adhesive tape and bandages.	Do.
Aladdin	No. 55—Preparation for polishing metals.	Do.
Piloto	No. 32—Cloths and stuffs of wool, worsted, or hair.	Do.
Vaselina Tonica—Pura e Medicinal—Cabelos limpos, brilhantes e sedosos—Produto importado dos Estados Unidos—Sacra Fe—marca registrade—E. U. do Brasil.	No. 3—Pharmaceutical product.	Aug. 6
Sacra Fe	No. 48—Perfumery	Do.
Santa-Fe	No. 3—Pharmaceutical product.	Do.
Clara-Fe	No. 48—Perfumery	Do.
Reflex	do	Do.
Santa-Fe	do	Do.
K. D. T	No. 10—Hypodermic syringe.	Aug. 7
Machlap	No. 17—Construction materials.	Do.
Electromat	No. 8—Electrical equipment and other electrical products.	Do.
Ebe	No. 5—Unwrought and partially wrought metals used in manufactures.	Do.
Ebe	No. 4—Raw or partially prepared mineral products, used in manufactures, and not included in other classes.	Do.
Lucite	No. 48—Brushes and combs.	Aug. 7
York	No. 36—Shoes	Do.
Leao—Marca Registrada (Lion Brand).	No. 4—Linseed-oil	Do
Aristocrata	No. 37—Handkerchief	Do.
Colirgol—Laboratorio Vinatan Ltda.	No. 3—Pharmaceutical product.	Aug. 9
Machlap	No. 17—Engineering, architectural, and building contrivances.	Do.
Iodo-Phospharseno (Gotas) Medicamento Phospho-iodo-arsenical-organico.	No. 3—Pharmaceutical product.	Do.
Biophitol	do	Do.
Pansalus	do	Do.
Imperio	No. 41—Vinegar and sirups made of sugar.	Do.
	No. 42—Fermented liquors and spirits.	
	No. 43—Artificial mineral waters.	
Dentin	No. 3—Medicinal product for odontological use.	Aug. 10
	No. 10—Surgical instruments.	
	No. 48—Preparations for the teeth.	
Yorke	No. 10—Surgical instruments.	Do.
	No. 48—Soaps.	
Fixodentin	No. 10—Surgical, veterinary, dental, or curative instruments and supplies.	Do.
Primolex	No. 10—Sponge-rubber chair seats.	Do.
Iodonitrix	No. 3—Pharmaceutical and medicinal product.	Do.
Ipilite	No. 1—Chemical preparation used for manufacturing plastic materials.	Do.
	No. 4—Natural or artificial resin used for manufacturing plastic materials.	Do.
Aloxidum	No. 4—Emery, all types	Aug. 11
Naxolum	do	Do.
Silcarbum	do	Do.
Norma	No. 48—Perfumery	Do.
Premier	No. 36—Handkerchief	Do.
M L N—Brasil	No. 1—Chemical products used in industries.	Aug. 12
	No. 2—Chemical products used for agricultural, horticultural, veterinary, and sanitary purposes.	
	No. 3—Chemical products used in medicine and pharmacy.	
	No. 4—Mineral, vegetable, and animal products, used in manufactures.	
	No. 5—Metals.	
	No. 6—Machinery and tools.	
	No. 7—Agricultural and horticultural machinery.	
	No. 8—Instruments.	
	No. 10—Instruments and apparatus for surgical purposes.	
	No. 11—Cutlery and edge tools.	
	No. 12—Metal goods.	
	No. 13—Goods of precious metals and imitations of such goods and jewelry.	
	No. 16—Manufactures from mineral and other substances for building or decoration.	
	No. 17—Engineering, architectural and building contrivances.	
M L N—Brasil	No. 18—Arms, hunting and war ammunitions.	*1943* Aug. 12
	No. 19—Explosive substances.	
	No. 20—Naval architectural contrivances and naval equipments not included in other classes.	
	No. 21—Carriages.	
	No. 38—Paper.	
	No. 40—Furniture and upholstery.	
	No. 55.	
	No. 60.	
N L M—Brasil	Nos.—Same as above	Do.
Red-Indian	No. 41—Substances used as food or as ingredients in food.	Do.
Aguardente Dog	No. 42—Fire-water	Do.
Ophtalmina	No. 3—Pharmaceutical product.	Aug. 13
Dysenterium	do	Do.
Sportex	No. 23—Cotton piece goods of all kinds.	Aug. 14
	No. 29—Natural silk, or rayon piece goods.	
Floritex	do	Do.
Albatex	do	Do.
Flamitex	do	Do.
Beautex	do	Do.
Supertex	do	Do.
Fibro	No. 52	Do.
Iodoflex—Laboratorio Vita S. A.	No. 3—Pharmaceutical product.	Do.
Hormocutina—Laboratorio Kalmo Ltda.	do	Aug. 16
Novaseptic	do	Do.
Sardine Paste	No. 41—Sardine paste	Do.
Ritz	No. 48—Perfumery	Do.
Lactoquinol—Farmaceutico Miguel Valle dos Santos.	No. 3—Pharmaceutical product.	Do.
Grafite C N G	No. 4—Raw or semiraw mineral, animal, or vegetable products.	Do.
Oto-Sanovox—Laboratorio Sette Ltda.	No. 3—Pharmaceutical product.	Aug. 17
Rinaspirol—Laboratorio Sette Ltda.	do	Do.
Big-Ben	No. 41—Foodstuff	Do.
Long Life	No. 10—Surgical instruments.	Do.
	No. 17—Engineering, architectural, and building contrivances.	
	No. 40—Furniture.	
Chinolite	No. 1—Chemical product.	Do.

Uruguay.—The following applications for trade-mark registration were published in the Diario Oficial of Montevideo, on the dates noted. Opposition must be filed within 30 days from the date of publication.

Trade-mark	Product	Date of publication
		1943
Apololux	Paints, varnishes, etc	Aug. 30 to Sept. 4
Continental	Groceries, foodstuffs	Do.
Kentucky	Industrial and agricultural machinery.	Do.
Nonzema	Perfumery and toilet	Do.
Bioforina	Drugstore and chemical product.	Do.
Gel-Al Proteo	do	Do.
Cor-Angor Proteo.	do	Do.
Linndex	Industrial and agricultural machinery.	Do.
Linco	Paints and varnishes, furniture, carpets, oilcloth, drapes, barrels, etc.	Do.

In eastern Flanders trees of more than a yard in circumference have been requisitioned for the wooden-shoe industry. It is expected that this measure will almost completely deforest this Belgian Province.

New Books and Reports

★ The following publications, added to the Department's research facilities, through the courtesy of the authors and publishers, are listed as a service to businessmen. *Please note:* The Department has no copies of private publications for distribution and cannot be responsible for their content. For private publications, write direct to the publishing agency given in each case.

Articles of Current Interest Appearing in the Department of State Bulletin September 18, 1943

Copies of this publication, which is issued weekly by the Department of State, may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C., for the price of 10 cents each; subscription price $2.75 a year. The September 18 issue contains these articles:

OUR FOREIGN POLICY IN THE FRAMEWORK OF OUR NATIONAL INTERESTS: ADDRESS BY THE SECRETARY OF STATE.
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DISTINGUISHED VISITORS FROM OTHER AMERICAN REPUBLICS.
APPOINTMENT OF DEPARTMENT OFFICERS.

Other Publications

RESEARCH AND POST-WAR PLANNING. United Nations Information Office. 1943. Separate volumes consisting of: Survey of Agencies, Part X; Bibliography, Part X. Additional volumes in a series listing sources of information that will be helpful to those interested in post-war planning. Contain also a bibliography of books and articles treating with the many phases of post-war reconstruction.

Available from: United Nations Information Office, 610 Fifth Avenue, New York 20, N. Y.

THE BRITISH COMMONWEALTH AT WAR. William Yandell Elliott and H. Duncan Hall (editors). 1943. 539 pp. Price, $5. A detailed analysis of the war organization and the war effort of the British Commonwealth of Nations. Includes chapters on Australia, Ireland, New Zealand, the Union of South Africa, and India. Discusses the political, economic, and administrative developments in Canada and the organization of supply in Great Britain; and compares wartime administration in Great Britain and Germany.

Available from: Alfred A. Knopf, Inc., 501 Madison Avenue, New York, N. Y.

THE SPANISH LARYRINTH. Gerald Brenan. 1943. 403 pp. Price, $3.50. Recounts in detail the modern social and political history of Spain. Describes political methods; the hardships suffered by workers; and the difficulties encountered by leaders and men of politics. Includes a balanced account of the part played by the Church and the Religious Orders. Deals also with the Republic, its humane beginnings and its end in civil war.

Available from: The Macmillan Co., 60 Fifth Avenue, New York 11, N. Y.

FOUR KEYS TO GUATEMALA. Vera Kelsey and Lilly de Jongh Osborne. 1943. 346 pp. Price, $3. Illus. A source of practical information as well as of background knowledge of Guatemala. Discusses its social, cultural, and economic history, its arts and crafts, fiestas and ceremonies. In one section are listed nearly 200 towns and villages with their altitudes, names of Indian tribes living there, market and fiesta days, and points of interest, supplemented by an accurate road map.

Available from: Funk & Wagnalls Co., 354 Fourth Avenue, New York, N. Y.

INDIA'S PROBLEM CAN BE SOLVED. DeWitt Mackenzie. 1943. 275 pp. Price, $3. Based on the premise that India is the arsenal of the Middle East and a base from which to attack Japan, and that it will be an important factor in post-war reconstruction. Paints a colorful picture of that strange and diverse world known as India. Discusses the 60,000,000 "untouchables," the great industrial potential of this land of squalor and poverty; and gives intimate pictures of India's great leaders, Gandhi, Nehru, Tej Bahadur Sapru, Mohammed Ali Jinnah. Presents reasons for the failure of the Cripps mission and includes significant passages on Japan's "Great East Asia Co-Prosperity Sphere."

Available from: Doubleday, Doran & Co., Inc., 14 West 49th Street, New York, N. Y.

ANUARIO AZUCARERO DE CUBA 1943 (CUBAN SUGAR YEAR BOOK). Cuba Económica y Financiera. 1943. 148 pp. Price, $3. A Cuban sugar census and international statistical manual, containing data on Cuba's regulations and quotas, production, prices, exports, subproducts, warehouses, and transportation, private organizations of the sugar industry, measurements, communications, cartography. Includes a section on the United States and other countries, presenting a chronology of 1942, sugar consumption in the United States 1865–1942, rum imports into the United States, sugar production figures 1905–42, tariffs, price regulations, and other pertinent details. Contains also a directory section.

Available from: Cuba Económica y Financiera, P. O. Box 2549, Habana, Cuba.

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Contributors' Column

Edwin Warley James ("Engineering Aspects of Today's Progress on the Inter-American Highway") is Chief of the Inter-American Regional Office of the United States Public Roads Administration. He is one of the great road builders the United States has produced. Mr. James spends as much time in the field as in Washington. Bridge-building operations of the Public Roads Administration in Central America are under his direction. So also are the engineering reconnaissance surveys being made to determine the route from the Panama Canal south to Colombia. He is author of many important highway engineering studies and articles, including "Highway Construction Administration and Finance." He was an official delegate of the United States Government at the Fourth Pan American Highway Congress held in Mexico City in 1941.

Free China's Iron Ore

Iron-ore reserves of unoccupied China are reported at 140,000,000 tons, of which it is estimated that Szechwan has 17 percent, Sikang 20 percent, and Kweichow 22 percent.

Iron production in Szechwan rose to 44,341 tons in 1942 from the 41,199 tons reported for 1941.

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